

## **Briefing Note on the August 2020 Planning Reforms Consultations**

The Ministry of Housing, Housing and Local Government (MHCLG) published two documents for consultation on 6 August 2020: Changes to the Current Planning System and the Planning for the Future White Paper. These documents propose a number of wide-ranging planning reforms, including significant changes to the plan-making process. This briefing note summaries the proposed changes to the planning system detailed in these consultation documents.

### **Changes to the Current Planning System, consultation closes on 1 October 2020**

The [Changes to the Current Planning System](#) consultation is seeking views on a range of proposed changes to the current planning system, namely on changes to the standard method for calculating housing requirement, securing of First Home through developer contributions, temporarily increasing the small sites threshold and extending the current Permission in Principle consent regime to include major development. The consultation is open until 11.45pm on 1 October 2020.

#### Standard Method for Calculating Housing Requirement

In order to provide the current formula with more stability and to align its outputs with the Government's target of delivering 300,000 new homes by the mid-2020's, there are three significant changes proposed to the Standard Method formula: baseline need calculated on the higher of the latest household growth projections or 0.5% of existing housing stock; affordability adjustment to incorporate an element of affordability increase over the previous 10 years; and removal of the 40% cap for increase in Local Plan requirement.

A transition period is proposed whereby from the publication date of the revised guidance, Local Authorities which are already at Publication consultation are given 6 months to submit their plan to the Planning Inspectorate for examination, and Local Authorities which are close to Publication consultation are to be given 3 months from the publication date of the revised guidance to publish their Publication version for consultation and a further 6 months to submit their plan to the Planning Inspectorate for examination.

#### Delivering First Homes

The Government intend to set out that 25% of all affordable housing units secured through developer contributions are to be provided as First Homes. Local plans and Neighbourhood Plans that are submitted for Examination within 6 months of this new policy being enacted will not need to reflect the First Homes policy requirements.

#### Supporting Small and Medium-Sized Builders

In order to support small and medium-sized builders, the Government are proposing to raise the small sites threshold to either 40 or 50 dwellings for an initial period of 18 months. Changing the definition of sites of between 10 and 40/50 dwellings from large sites to small sites will mean such schemes will not need to provide developer contributions.

#### Extension of the Permission in Principle Consent Regime

It is proposed that the current restriction on Permission in Principle for major developments be removed, with no limit set for commercial development schemes, and further amendments are proposed to the information and publicity requirements.

## **Planning for the Future White Paper**

The [Planning for the Future White Paper](#) consultation is seeking views on a package of proposals for reform of the planning system in England, with a focus on “streamlining and modernising the planning process, improving outcomes on design and sustainability, reforming developer contributions and ensuring more land is available for development where it is needed”. The consultation is open until 11.45pm on 29 October 2020.

The White Paper is made up of three pillars of the planning system, with a total of 24 proposals put forward; these are detailed below:

## Pillar 1: Planning for Development

1	“The role of land use plans should be simplified. We propose that Local Plans should identify three types of land – Growth areas suitable for substantial development, Renewal areas suitable for development, and areas that are Protected”	All areas of land would be divided into three distinct areas – Growth areas which are suitable for substantial development; Renewal areas which are suitable for intensification and small-scale development; and Protected areas which are to be safeguarded.
2	“Development management policies established at national scale and an altered role for Local Plans”	National Planning Policy Framework to become primary source of development management policies with Local Plans and Neighbourhood Plans adopting design codes and guides.
3	“Local Plans should be subject to a single statutory ‘sustainable development’ test, replacing the existing tests of soundness”	Abolition of Sustainability Appraisal and Duty to Cooperate, replaced with a ‘sustainable development’ test.
4	“A standard method for establishing housing requirement figures which ensures enough land is released in the areas where affordability is worst, to stop land supply being a barrier to enough homes being built. The housing requirement would factor in land constraints and opportunities to more effectively use land, including through densification where appropriate, to ensure that the land is identified in the most appropriate areas and housing targets are met”	Updated standard method for calculating housing need using the size of existing settlements and adjustments for affordability and land constraints, with the output binding on the Local Authority. Scrapping of the Five-Year Housing Land Supply but retention of the Housing Delivery Test.
5	“Areas identified as Growth areas (suitable for substantial development) would automatically be granted outline planning permission for the principle of development, while automatic approvals would also be available for pre-established development types in other areas suitable for building”	Outline planning permission granted for Growth areas on adoption of the Local Plan, with the presumption in favour of development established on Renewal areas. Planning applications for development can still be made on Protected areas and these will be assessed using the policies in the National Planning Policy Framework.
6	“Decision-making should be faster and more certain, with firm deadlines, and make greater use of digital technology”	More streamlined and digitally enabled end to end process which is proportionate to the scale and nature of the development proposed, to ensure decisions are made faster. Incentive to determine planning applications within statutory timescales, including automatic rebate of

		planning fees to the applicant if timescales are not adhered to.
7	“Local Plans should be visual and map-based, standardised, based on the latest digital technology, and supported by a new template”	Interactive, map-based Local Plans supported by a new template.
8	“Local authorities and the Planning Inspectorate will be required through legislation to meet a statutory timetable for key stages of the process, and we will consider what sanctions there would be for those who fail to do so”	Statutory 30-month Local Plan timetable, with Local Plans to be reviewed at least every five years. Transition period for Local Plans adopted within the last three years or at Examination once measures are formally introduced through legislation.
9	“Neighbourhood Plans should be retained as an important means of community input, and we will support communities to make better use of digital tools”	Retention of Neighbourhood Planning but refocused in line with proposed changes to Local Plan content.
10	“A stronger emphasis on build out through planning”	Clear direction in the revised National Planning Policy Framework that the masterplans and design codes for sites prepared for substantial development should seek to include a variety of development types by different builders which allow more phases to come forward together.

Pillar 2: Planning for Beautiful and Sustainable Places

11	“To make design expectations more visual and predictable, we will expect design guidance and codes to be prepared locally with community involvement, and ensure that codes are more binding on decisions about development”	Preparation of local design guides and codes brought forward in a number of ways: by local planning authorities to supplement and add a visual dimension to their Local Plans; through the work of Neighbourhood Planning groups; or by applicants in bringing forward proposals for significant new areas of development.
12	“To support the transition to a planning system which is more visual and rooted in local preferences and character, we will set up a body to support the delivery of provably locally-popular design codes, and propose that each authority should have a chief officer for design and place-making”	New expert body which can help authorities make effective use of design guidance and codes, as well as performing a wider monitoring and challenge role for the sector in building better places, with suggestion that each Local Authority has a chief officer for design and place-making.

13	<p>“To further embed national leadership on delivering better places, we will consider how Homes England’s strategic objectives can give greater emphasis to delivering beautiful places”</p>	<p>Government engagement with Homes England to encourage better design quality in their land disposals programme.</p>
14	<p>“We intend to introduce a fast-track for beauty through changes to national policy and legislation, to incentivise and accelerate high quality development which reflects local character and preferences”</p>	<p>Revisions to the National Planning Policy Framework to make it clear where schemes comply with local design codes or guides there is greater certainty that they will be swiftly approved, along with conditions on Growth areas outline planning permissions to require design codes / masterplans, in addition to changing the nature and increasing permitted development rights.</p>
15	<p>“We intend to amend the National Planning Policy Framework to ensure that it targets those areas where a reformed planning system can most effectively play a role in mitigating and adapting to climate change and maximising environmental benefits”</p>	<p>Be clear about the role that local, spatially-specific policies can continue to play, such as in identifying important views, opportunities to improve public access or places where renewable energy or woodland and forestry creation could be accommodated, whilst also ensuring the revised National Planning Policy Framework provides a clear and robust basis for development management decisions more generally, so that reliance no longer needs to be placed on generic policies contained in Local Plans.</p>
16	<p>“We intend to design a quicker, simpler framework for assessing environmental impacts and enhancement opportunities, that speeds up the process while protecting and enhancing the most valuable and important habitats and species in England”</p>	<p>Streamline existing frameworks to ensure environmental considerations are considered properly as part of the planning and development process, whilst also taking the opportunity to strengthen protections that make the biggest difference to species, habitats and ecosystems of national importance, and that matter the most to local communities.</p>
17	<p>“Conserving and enhancing our historic buildings and areas in the 21st century”</p>	<p>Review and update the planning framework for listed buildings and conservation areas, to ensure their significance is conserved while allowing, where appropriate, sympathetic changes to support their continued use and address climate change. Also explore whether there are new and better ways of securing consent for routine works, to enable local planning authorities to concentrate on conserving and enhancing the most important historic buildings.</p>

18	“To complement our planning reforms, we will facilitate ambitious improvements in the energy efficiency standards for buildings to help deliver our world-leading commitment to net-zero by 2050”	Review the roadmap to the Future Homes Standard to ensure that implementation takes place to the shortest possible timeline, with an ambition that homes built under the new planning system will not need retrofitting in the future.
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Pillar 3: Planning for Development

19	“The Community Infrastructure Levy should be reformed to be charged as a fixed proportion of the development value above a threshold, with a mandatory nationally-set rate or rates and the current system of planning obligations abolished”	Current system of planning obligations under Section 106 consolidated under a reformed, extended ‘Infrastructure Levy’; this would be based upon a flat-rate, valued-based charge, set nationally, at either a single rate or at area-specific rates.
20	“The scope of the Infrastructure Levy could be extended to capture changes of use through permitted development rights”	Scope of the Infrastructure Levy would be extended to better capture changes of use which require planning permission, even where there is no additional floorspace, and for some permitted development rights including office to residential conversions and new demolition and rebuild permitted development rights.
21	“The reformed Infrastructure Levy should deliver affordable housing provision”	With Section 106 planning obligations proposed to be removed, under the Infrastructure Levy authorities would be able to use funds raised through the levy to secure affordable housing.
22	“More freedom could be given to local authorities over how they spend the Infrastructure Levy”	Scope for more flexibility around spending, including allowing Local Authorities to spend receipts on their policy priorities once core infrastructure obligations have been met. In addition to the provision of local infrastructure, including parks, open spaces, street trees and delivery or enhancement of community facilities, this could include improving services or reducing council tax.
23	“As we develop our final proposals for this new planning system, we will develop a comprehensive resources and skills strategy for the planning sector to support the implementation of our reforms”	Development of resources and skills strategy including consideration of how the planning system is funded and performance monitoring.

24	“We will seek to strengthen enforcement powers and sanctions”	Review and strengthening of the existing planning enforcement powers and sanctions available to Local Authorities to ensure they support the new planning system, including the introduction of more powers to address intentional unauthorised development, consideration of higher fines, and looking into ways of supporting more enforcement activity.
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28 August 2020