Planning for the future – Planning white paper

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Key Decision?

Local Ward A
Members

All



Economic Growth,
Environment and
Development
(Overview and
Scrutiny) Committee

1. Executive Summary

- 1.1 The government published a 'Planning for the future' white paper in August 2020 for consultation. The document sets out the government's proposals to reform the planning system in England. The government states that the range of proposals are designed to 'streamline and modernise the planning process, improve outcomes on design and sustainability, reform developer contributions and ensure more land is available for development where it is needed'.
- 1.2 The proposals relate to plan-making, the determination of planning applications (decision-making), design of development and developer contributions. Consultation on the White Paper will last for 12 weeks and closes on 29 October 2020. In due course the District Council will consider the white paper in detail and provide a comprehensive response to the consultation. This response will be reported to and agreed by Cabinet prior to its submission.

2. Recommendations

2.1 Members note the contents of this report and provide comments to help inform a Council response in due course.

3. Background

- 3.1 The government published a 'Planning for the future' white paper on 6 August 2020 for a twelve week consultation. The document sets out the government's proposals to reform the planning system in England aiming to "streamline and modernise the planning process, bring a new focus to design and sustainability, improve the system of developer contributions to infrastructure, and ensure more land is available for development where it is needed".
- 3.2 The consultation on the 'Planning for the future' white paper will run until the 29th October 2020 and alongside a narrative includes 26 specific questions which the government are seeking response to. Officers will continue to consider the white paper and prepare a response to the consultation. This response will be reported to Cabinet in October 2020 to ensure the response can be considered and submitted to the government before the consultation deadline.
- 3.3 The white paper proposes a wide range of reforms, these can mainly be grouped into four categories, relating to local plan making, decision taking on planning applications; developer contributions and design. The proposals for each of these areas are summarised below:

Local Plans:

- 3.4 The white paper proposes a range of reforms to the nature of local plans and plan-making process. These changes seek to simplify local plans and speed up the process involved in preparing them. The first key reform proposed is to simplify the role of the local plan to focus on identifying land under three categories or delineated zones:
 - Growth areas would be zones which are considered to be suitable for substantial development¹.
 Growth areas would be used to define land for comprehensive development including urban extensions, new settlements and areas for redevelopment (including brownfield land) and regeneration sites. Outline planning permission for the principle of development would be automatically granted for development types within growth areas as specified within the local plan;
 - Renewal areas areas considered to be suitable for development. This would include existing built up areas where smaller scale development would be considered appropriate. The category would include "the gentle densification and infill of residential areas, development in town centres, and development in rural areas that is not annotated as Growth or Protected areas, such as small sites within or on the edge of villages". In renewal areas there would be a statutory presumption in favour of development being granted for the uses specified as being suitable in each renewal area². It would be for the local plan to specify these uses; and
 - Protected areas sites and areas that as a result of their environmental and/or cultural characteristics would be protected and have more stringent development controls should planning applications be submitted. The white paper states that this would include for example; Areas of Outstanding Natural Beauty (AONBs); Green Belt; Local Wildlife Sites; areas susceptible to significant flood risk; other important green spaces and open countryside which is not designated as either a growth or renewal area (see above). Some of these areas would be designated nationally, with others to be designated through the local plan.
- 3.5 The white paper states that these new-style local plans would comprise an 'interactive web-based map' of the council's administrative area where data and policies are easily searchable with a clear key colour coded in line with the three zones. Accompanying text would set out the appropriate development uses and any limitations to that development (for example restrictions on height/density). Local plans, the white paper suggests, should be published as standardised data to enable a strategic national planning map to be created showing all local policies across England.
- 3.6 The second major proposed reform is that policies for development management within a local plan would be restricted to those required to define the respective areas or site specific requirements for the categories described at paragraph 3.4 of this report. The white paper states that the National Planning Policy Framework would become the primary source of policies for development management. This the government suggests would change local plans from 'long lists of general policies to specific development standards'.
- 3.7 A new standard method for establishing housing requirement figures in Local Plans is proposed within the white paper which would replace the current standard method which is used to establish Local Housing Need (LHN). The white paper states that the new approach would be binding in order to 'drive

¹ The white paper states that the term substantial would be defined in policy through the reforms to ensure to remove debate over its definition

² Planning permission for other uses could still be granted within growth and renewal areas but this would be subject to a different type of application which would consider the principal of development.

greater land release' to ensure the government's target of 300,000 new homes annually in England can be met. This new approach would have regard to;

- The size of existing urban settlements;
- The affordability of places;
- The extent of land constraints that exist;
- Opportunities to better use existing brownfield land;
- The need to make allowance for other forms of development (non-residential) and;
- The inclusion of an appropriate buffer to account for the non-implementation of permissions and providing sufficient choice to the market.

As part of this approach local planning authorities would still have flexibility as to where homes are delivered to meet their requirements including utilising the categories described at paragraph 3.5 of this report. Additionally, it is proposed that the 'five-year housing land supply' test is removed with the Housing Delivery Test (HDT) remaining as the key test to assess delivery for authorities.

- 3.8 The white paper also proposes the abolishment of the 'tests of soundness' which local plans are currently examined against. This would be replaced by a single 'statutory sustainable development' test which would consider whether a local plan contributes to achieving sustainable development in accordance with policy issued by the Secretary of State. A simplified examination procedure based on the aforementioned test along with the more streamlined content of local plans should reduce delay in the plan-making process the white paper argues. Indeed the white paper goes further and suggests that local plans under the reformed planning system should be prepared in a 30 month statutory time frame.
- 3.10 In respect of the changes to local plans and the plan-making process this will represent a significant change from the current approach. The move to a 'zoned' system with the three designations as described at paragraph 3.4 could lead to an overly simplified approach which does not take account of the diverse nature of areas of the District. The white paper also proposes to limit the use of localised development management policies, with the primary source of such policies becoming the National Planning Policy Framework. Whilst such an approach may be beneficial to the development industry who would be effectively dealing with the same nationally set policies across the country it doesn't allow for locally distinctive development management policies to be drawn up and adopted by the Council. These two proposals together appear overly simplistic and remove the ability for the authority to draw up nuanced and detailed locally specific allocations and policies.
- 3.11 The white paper proposes a new standardised method to calculating housing need which would be binding for authorities. There is limited detail as to how housing need would be calculated using the new method so it is not possible to determine what impact this would have for the District in terms of its housing need. However, by setting this approach nationally and making it binding there is concern that this may lead to an approach which does not allow for the reflection of local characteristics and constraints. Alongside this approach the abolition of the five year supply test and reliance on the HDT is worthy of consideration. The HDT tests an authority's housing delivery in terms of annual completions rather than the number of homes it has permitted. Given the Council is not responsible for the actual delivery of homes there is the potential that should the development community not implement consented schemes in a timely fashion that the local planning authority is at risk of being punished through the HDT.
- 3.12 The white paper is relatively limited in terms of its detail around the role of neighbourhood plans in the new planning system. Neighbourhood plans are proposed to be retained as part of the reformed planning system, however the white paper suggests the content of neighbourhood plans should be more focused in a similar way to the proposals for local plans. The lack of detail in the white paper is an area of concern given the large number of neighbourhood plans which have been, and continue to be, advanced within the District.

3.13 Proposals to streamline the examination process for local plans are welcomed. There is a lack of detail within the white paper as to how the new approach and the 'sustainable development test' would work in practice. However, an approach which reduces the cost and delay in the plan making process would be beneficial for the Council.

Development management:

- 3.14 Alongside changes to local plan and how they are prepared the 'Planning for the future' white paper proposes a range of reforms relating to the development management process. Much like the reforms to local plans, these are proposed in order to 'streamline' the planning process.
- 3.15 As discussed at paragraph 3.4 of this report the white paper proposes that automatic outline consent be granted for development in defined growth and renewal areas as detailed in the new-style local plans. Full consent would therefore be granted through routes which should offer a more 'streamlined and faster' route to consent. These routes would be:
 - A "reformed reserved matters process for agreeing the issues that remain outstanding"; and
 - A "local development order (LDO) prepared by the local planning authority for the development which could be prepared in parallel with the local plan and be linked to a master plan and design codes". LDOs grant planning permission upfront for specific types of development in a defined area.
- 3.16 The white paper says the government wants to see "a much 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". In respect of determining planning applications the white paper proposes an approach where the well-established eight and twelve week determination timescales which exists become 'firm' deadlines with penalties imposed on local planning authorities when deadlines are missed. To achieve this the white paper proposes:
 - A 'clear incentive' for authorities to determine applications within the statutory time limits which
 could involve the refunding of planning fees where timescales are missed and whether some
 types of application should be deemed to have been granted permission if there has not been a
 timely determination;
 - 'Shorter and more standardised' applications are proposed where the amount of information required for an application is reduced and greater standardisation of technical supporting information (for example heritage, highways or flooding matters) is introduced. Such an approach could include a national data standard for smaller planning applications and/or the digitisation of validation checklists so that the right information is provided as part of an application at the start of the process;
 - The white paper also proposes the delegation of detailed planning decisions to planning officers
 where the principal of development has already been established (for example through the new
 local plan approach); and
 - The strengthening of enforcement powers are also proposed with the white paper saying the
 government want to see local planning authorities placing greater emphasis on the enforcement
 of planning standards and decisions. The white paper states that the government intend to
 review and strengthen existing enforcement powers and sanctions available to authorities to
 ensure they support the new planning system including consideration of higher fines through the
 courts.
- 3.17 The white paper's proposal to penalise local planning authorities when determination timescales are not met by refunding application fees is a concern. The white paper makes the case that presently extensions

of time are too often agreed between applicants and local planning authorities, leading to delays in determination. Such extensions of time are often necessary to ensure the appropriate information has been submitted and sufficient opportunity for all stakeholders to consider this information is provided. It is concerning that by arbitrarily focusing on timescales could lead to less clear and rushed decision-making and a potential reduction in the quality of decisions.

3.18 As noted at paragraph 3.10 a concern is that the proposed changes will lead to a simplistic system which lacks locally distinctive policies upon which planning applications are determined. Additionally, the proposals would also seek the delegation of a wide range of planning applications to officers where the principal of development has been established through a council's local plan. This risks removing scrutiny of those applications by local authorities planning committees and elected members, thereby potentially removing a degree of local democracy from the development management process. When this is coupled with the approach to provide nationally set development management policies there is a risk of significantly curtailing the decision-making ability of a local planning authority, and its consideration of locally important and specific issues in the planning process.

Developer contributions:

- 3.19 The white paper proposes to reform the current approach to developer contributions which primarily consists of the Community Infrastructure Levy (CIL) and other obligations which are usually achieved through Section 106 agreements (S106). These approaches would be replaced by a nationally set 'value-based flat rate charge' to be known as the 'Infrastructure Levey'. The levy would be either a single rate across the country or a series of area-specific rates which would be set nationally and chargeable on developments which exceed a nationally set threshold. The 'value-based' charge would be based on the final value of a development which it is proposed would be more effective in capturing increases in value and be sensitive to economic fluctuations. It should be noted that at present the white paper does not define the threshold at which it would be applied.
- 3.20 The white paper suggests that this new national levy will aim to raise more revenue than the current approach and 'at least as much –if not more' provision of on-site affordable homes. It is proposed that affordable homes would be delivered 'in-kind' on a development site with the value of the provision being taken into account in the calculation of the Infrastructure Levy for the site.
- 3.21 It is proposed that the reformed approach to developer contributions will provide greater freedom and flexibility to local planning authorities on how they wish to spend any monies accrued through the infrastructure levy. In addition it is proposed that a 'neighbourhood share' of monies collected would be transferred to Parish Councils for them to spend on priorities in their areas. This approach mirrors that currently in place with CIL.
- 3.22 The proposal to simplify the current approach to developer contributions and provide greater transparency could potentially bring benefits. Presently, the use of S106 agreements and CIL can be time consuming and open to negotiation and challenge, indeed in the District the agreement of S106's has led to delays in bringing forward development. A clearer approach which removes some of these difficulties would potentially be welcomed. However, there is a lack of detail within the white paper in respect of how the national 'Infrastructure Levy' will be calculated and what this could mean for authorities. It is not possible, with the detail provided, to determine whether the new approach to developer contributions would deliver more infrastructure, affordable homes and other obligations compared with that of the current system.
- 3.23 The paper suggest the levy would generate at least the same level or more on-site affordable homes, without sufficient detail there is some concern as to how the levy would impact provision of affordable homes and other developer contributions. The white paper suggests the on-site provision would be

delivered 'in-kind' with the value potentially taken away from the infrastructure levy as such there is a concern that this could lead to less 'obligations' being achieved. As noted above the lack of detail on the new approach however makes it difficult to determine exactly what impacts the proposed reforms would have in terms of the obligations the Council could seek.

Design

- 3.24 Another key aspect of the reforms proposed by 'Planning for the future' relate to the design of new development and the government aspiration of creating 'beautiful and sustainable places'. The white paper states that following the publication in October 2019 of the National Design Guide this will be supplemented by a National Model Design Code which will be published in the autumn of 2020 setting out detailed parameters for development in different locations and a revised Manual for Streets thereafter. The government expects this national guidance to have a direct bearing on the design of new development.
- 3.25 Alongside this government will expect design guides and codes to be prepared locally with community input to reflect the diverse character of places across the country. Part of this proposal is to ensure that any such guides and/or codes are prepared with effective input from the local community and consider evidence of what is popular and characteristic to the area. Only where this has been demonstrated will local design guides or codes be given weight in the planning system. The white paper envisages such guides and/or codes to be progressed in one of three ways:
 - By local planning authorities to supplement their local plans and add a visual element to the 'categories' which have been designated in the local plan;
 - Through the work of neighbourhood planning groups; and
 - By applicants when bringing forward proposals.
- 3.26 The white paper also proposes a 'fast-track for beauty' approach which is designed to incentivise and accelerate high quality developments which reflect local character and preferences. This will be achieved in three ways:
 - Revised national policy will make clear that proposals which comply with local design codes and guides will have a greater certainty about their prospects of a swift approval;
 - Masterplans and design codes will be required as a condition of the local plan when designated 'growth areas'. These could be prepared alongside or subsequent to the local plan and will provide detail as to the expectations on development prior to this coming forward; and
 - Production of 'pattern books' for 'renewal areas' which will allow the pre-approval through changes to permitted development rights of popular and replicable design.
- 3.27 The focus on design and the desire to 'build beautiful' within the white paper is to be welcomed. However, as with many of the proposals there is an emphasis on determining what is considered to be good design at a national level through the use of the National Design Guide and forthcoming design code. It is noted however that this section of the white paper does then make further reference to the need for local planning authorities, working with their communities including neighbourhood planning groups, to define more localised design codes for their areas. This is to be welcomed.

3.28 In respect of funding the new system the white paper suggests that this should be principally paid for by the 'beneficiaries of planning gain – land owners and developers'. Whist this would appear to be a positive, the white paper then continues to state that the costs of development management activities should be covered by planning application fees which should continue to be set nationally. This does not allow for local fee setting which could be used to ensure the full costs of the planning system are met by those who gain from it. The white paper goes further and also states that the national setting of fees should also include greater regulation of discretionary pre-application charging to ensure 'it is fair and proportionate'. As members will be aware the Council currently charges for pre-application requests and any regulation introduced nationally which could put this at risk would be a concern. The white paper further states that 'some local planning activities should still be funded through general taxation given the public benefits from good planning'. Such statements coupled with the proposed approaches to fee setting would seem to limit the ability for the council to increase its revenue to fund its statutory planning services.

Concluding remarks:

- 3.29 As a whole the reforms proposed in the housing white paper are clearly significant and would represent a considerable change in the planning process for the Authority. There is though a lack of detail around many of the proposals within the white paper, something the paper itself acknowledges and suggests will be 'fleshed out' in the future as the reforms are considered further. However, this lack of detail does make responding to the Government's consultation more challenging. The Council will assess these details once these become available and respond to any further consultations issued by the government.
- 3.30 Throughout the white paper the government continues to advance the view that the planning system is responsible for delaying development and for the number of homes being built nationally not meeting government targets. This fails to recognise that a key issue in bringing forward development is the development industries failure to deliver consented schemes. Whilst in Lichfield District there is a relatively low level of planning permission not being implemented nationally we see that a large number of consented homes are not built. The white paper continues with the narrative that by allocating more land for growth this will drive housing completions without recognising the need to deliver changes which encourage those with extant planning permissions to implement consented schemes.
- 3.31 The white paper itself does not detail the timescales within which the reforms, if progressed, would take place. It does state that subject to the responses to the consultation the intention is to make 'rapid progress toward this new planning system' with legislation to be brought forward to implement the reforms. The white paper makes clear that should the proposed planning reforms come into fruition that there would need to be transitional arrangements which ensure that recently approved plans, existing permissions and any associated planning obligations can continue to be implemented as intended. Whilst the exact timescales of implementation are unclear the white paper states that to support the transition into the new system authorities will be statutorily required to have an adopted a local plan (under the new planning system) within 30 months from the legislation being brought into force or 42 months for local planning authorities who have already adopted a local plan or submitted one for examination. In such circumstances this means having an adopted Local Plan would provide more certainty in decision taking while the legislative reforms are going through the system. Also, it means that once legislation comes into force, Lichfield will be likely to benefit from the 42-month grace period (3.5 years).
- 3.32 A concern overall with the proposals is that there appears to be a move away from 'localism' and local decision making to more centralised control. A number of the proposals (see the local plan and development management sections of this report in particular) appear to take decisions away from local plan authorities and pitch them at a national level. Such an approach does not take account of the great

differences in administrative areas across the country and indeed the very differing characteristics and issues we find within our own District.

Alternative Options	1. None – the report is for informational purposes.
Consultation	1. The planning white paper is currently the subject of a consultation.
Financial Implications	 There are no financial implications from this report which is for informational purposes. The planning reforms proposed within the white paper, if enacted, would give rise to financial implications in terms of the financial obligations from development which could be set nationally and financial implications for the authority in terms of meeting the requirements of any new/changed planning system.
Contribution to the Delivery of the Strategic Plan	 Supports the shaping place and developing prosperity branches of the strategic plan.
Equality, Diversity and Human Rights Implications	1. Not required.
Crime & Safety Issues	1. None.
Environmental Impact	1. There are no specific environmental issues arising from this report.
GDPR / Privacy Impact Assessment	1. Not required.

	Risk Description	How We Manage It	Severity of Risk (RYG)
Α	None	N/A	N/A

Background documents

- 1. Planning for the Future White Paper (August 2020)
- 2. National Design Guide

Relevant web links

Planning for the future - https://www.gov.uk/government/consultations/planning-for-the-future