

Planning for the Future: The New White Paper



The ambition of Planning for the Future, to build beautiful, sustainable and connected places through a modern and digitalised planning system caught the headlines in the national press last week.

This article reviews the key principles of the proposed new planning system and considers whether they are a threat or an opportunity for affordable housing providers.

Local Plans

The existing Local Plan system will be overhauled and simplified. Local authorities will have 30 months to produce a plan. This is a significant reduction from the average of 7 years that it currently takes to get a plan in place.

Land is to be identified in only three categories:

1. Growth (substantial development)
2. Renewal (some development); or
3. Protected (development restricted).

The existing legal test of soundness, the duty to co-operate and sustainability appraisals will be abolished and replaced by a single test for achieving “sustainable development”.

Public engagement in the plan making process will be emphasised, encouraging local people to contribute to the overall planning strategy for their area. Local Plans will need to identify areas to meet a range of development needs such as homes, businesses and community facilities – for a minimum period of 10 years, reviewed every 5 years.

Growth Areas

Where a local plan has identified land that is suitable for

sustainable development, outline planning permission and the parameters for the principle of development will be automatically conferred by the Local Plan.

Detailed planning permission will be secured either through reserved matters including a condition to secure the master plan and compliance with design guides or through a local development order. On bigger sites, such as new towns and garden cities, detail will be secured through development consent orders under the Nationally Significant Infrastructure Projects regime.

The Local Planning Authority will have a significant role in determining the masterplan for developments automatically consented in growth areas. The White Paper envisages that local master plans and design codes could be prepared by the Local Planning Authority alongside, or subsequent to, the Local Plan adoption. Masterplans should seek to deliver a variety of development types by different builders allowing developments to be built out consistently and quickly, which was a key recommendation of the Sir Oliver Letwin review of build out rates in 2018.

Renewal Areas

Renewal areas will be shown on the plan as areas reflecting the general appropriateness of development where there would be a general presumption in favour of sustainable development.

Planning permission will be given where the scheme meets the established design principles, through the extended use of permitted development rights, or via local or neighbourhood development orders.

Protected Areas

Any development in these areas is restricted. Proposals will come forward through planning applications unless permitted development rights or development orders apply to the development.

Building Beautiful and Design Guides

Critical to the proposed local plan process is the role of design guides and codes. These will be established to provide certainty and to reflect local preferences about the form and character of development in the growth and renewal areas. These are expected to be developed at the same time as Local Plans and will either be included in the plan or adopted as supplementary planning guidance.

The proposed design guides and codes will have a central role in delivering beautiful and high quality design. The White Paper explains that by updating the National Planning Policy Framework (NPPF) schemes that comply with local design guides will lead to swifter approvals. The White Paper makes clear that the guides need to have local legitimacy and be based on empirical evidence of what is popular in the local area.

Permitted development rights will be widened so that developments which deliver popular and replicable or 'pattern book' forms of design of building types, options and parameters such as height and materials can be pre-approved.

The benefit of swifter approvals and permitted development rights in renewal areas is to encourage developers and architects to design schemes which are in line with the design guides.

Each Local Planning Authority is expected to appoint a chief officer for design and place making to oversee quality.

Development Management Policies

Local Plans will set the rules for development including a core set of standards and requirements for developers. This would see the end of the days of applicants having to review and assess long lists of development plan policies to test whether a proposal accords with the development plan. The NPPF becomes the primary source of policies for development management.

It is proposed that neighbourhood plans are retained and the Government has announced separately that grants for local neighbourhood planning groups have been increased to £18,000 for groups in urban non-parished areas to put their neighbourhood plans together.

Planning applications will become significantly slimmed down. For major development, other than relevant plans and drawings, a standardised planning statement of no more than 50 pages will be required to justify the proposals under the Local Plan and NPPF.

There will be an incentive on Local Planning Authorities to determine applications within a statutory timescale and automatic repayment of the planning fee where that timescale isn't met. Appeals and the power for the Secretary of State to 'call in' decisions is retained, however these are expected to reduce as the new Local Plan system becomes embedded.

Determination of the detailed matters of planning applications is proposed to be delegated to planning officers, which according to the White Paper should become principally a matter for professional planning judgement.

Housing Targets

The government envisages that the national house building target of 300,000 will be distributed nationally by taking into account local environmental constraints such as green belt, existing homes in the area and affordability.

The imposition of top down housing figures is a far cry from the principles of localism and brings back a significant degree of central control, abandoned by the coalition government a decade ago.

Section 106 and First Homes

The existing system of developer contributions and Community Infrastructure Levy will be abolished in order to capture land value through a new Infrastructure Levy. The White Paper contends that section 106 agreements are uncertain and opaque creating uncertainty for communities about the level of affordable housing they will bring and the levels of developer contributions.

The Infrastructure Levy will be a national levy charged on the final value of the development payable on the point of occupation. Local authorities would be able to use funds raised through the levy to secure infrastructure, affordable housing or through in-kind delivery on site. Local Authorities can also borrow against the future levy receipts to fund future infrastructure.

The White Paper envisages that affordable housing providers will secure affordable housing through the in-kind delivery procedure – the price at which the unit is sold to

the registered provider and the market price would be off set from the cash liability under the infrastructure levy. The White Paper suggests that an incentive for developers to provide affordable housing is created through this discount, which applies equally to First Homes which are sold directly by the developer at a discounted market price.

The National Housing Federation (NHF) and others in the sector, have raised concerns about the scrapping of section 106 agreements and the impact it may have on affordable housing numbers. Kate Henderson, Chief Executive of the NHF said “Any alternative to Section 106 must ensure we can deliver more high-quality affordable homes to meet the huge demand across the country”.

Further changes to section 106 delivery are presented through a separate consultation on changes to the current planning system. The consultation includes proposals to secure First Homes through developer contributions until the new system is adopted and supporting small and medium sized enterprises by temporarily lifting the small site threshold from 10 to either 40 or 50 new homes through temporary changes to the NPPF. This consultation closes on 1 October 2020.

In summary, whilst the White Paper acknowledges that the details will need further development pending the outcome of the consultation, we consider that a number of key issues need to be resolved for the proposals to meet their ambitions:

- Is there enough certainty for developers and investors? For instance will multi-phased development sites which are initially allocated in as growth areas continue to receive that allocation in future plans or is there a risk that later phases will be reallocated. Is the only way to overcome this risk to secure the detail from the outset? If so, how is this going to affect land values?
- What is the status of the existing and emerging Local Plans under the current system and what should applicants and local authorities do in the meantime?
- Do Local Planning Authorities have sufficient resources and expertise to allow them to deliver the new regime?
- With such a focus on sustainable development, are there sufficient incentives to deliver carbon neutral homes?
- Will the infrastructure levy and proposals for ‘in kind’ provision drive up delivery of affordable housing when and where it is needed?

We will be holding our ‘Planning for the Future White Paper’ webinar on 17 September. [Click here](#) to find out more and register your interest.

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