Ministry of Housing, Communities & Local Government | Department for Business, Energy & Industrial Strategy

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Clive Betts MP
Chair of the Housing, Communities and Local Government Committee

14 July 2021

Dear Clive,

This letter follows up on four points raised in the evidence session which took place on Monday 5 July 2021; a) what is being published regarding Towns Fund Monitoring and Evaluation (M&E), b) the sequential test, use classes and permitted development rights, c) face mask guidance following the move to Step 4, and d) protections for residential tenants. Please see a comprehensive response below.

a) What is being published regarding Towns Fund M&E

The Department recognises the opportunity the Towns Fund programme presents for understanding the impact of these types of interventions on regeneration and rebalancing the economy. As a result, the Department is committed to evaluating the Towns Fund and sharing learning within the timeline of the programme and embedding learning of long term impacts in future programmes.

Currently, the Department plans to publish:

- the Towns Fund M&E strategy,
- annual evaluation reports throughout the lifetime of the Towns Fund programme, and
- a post-programme end report.

Monitoring & Evaluation framework/strategy
MHCLG analysts have written a combined M&E Strategy for the Towns Fund programme (covering both Town Deals and Future High Streets Fund). The M&E strategy covers monitoring activities and three levels of evaluation activity, in line with Magenta Book guidance: process, impact and value for money evaluations, each with different methodologies.

These different types of evaluation will demonstrate what impacts the Towns Fund programme has had, and answer questions on whether the programme has met its policy objectives and delivered value for money.

The strategy has been subject to peer review and we intend to publish on gov.uk shortly. It sets out:

- the evidenced M&E framework and theory of change (the causal links between inputs, outputs and outcomes which will underpin the evaluation methodologies for the Towns Fund),
- a workplan,
- timeline and key milestones, and
- a bibliography.

Annual evaluation reports
The Department, with support of their Evaluation Partner, will publish an annual report throughout the lifetime of the programme, covering latest learning from the various evaluation activities:

- Financial Year (FY) 22/23 – Interim process evaluation
- FY 23/24 – Interim impact evaluation
- FY 24/25 – Final process, impact and value for money evaluation

Post programme end report
We recognise that many of the outputs and outcomes will not be realised until several years after the Towns Fund programme ends. Therefore, a further evaluation report covering final conclusions from the process, impact and value for money evaluations is scheduled to be published in financial year 26/27.

b) The sequential test, use classes and permitted development rights

We want to see our high streets and town centres thrive, and become places that people want to shop, live, and spend their leisure time. We also want to support our economy and business diversification.

The National Planning Policy Framework says that local planning authorities should apply a sequential test to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan. Changes of use within a single Use Class are not considered to be development, and policy requirements such as a sequential approach do not apply. This is the case for the example you provide of an existing office changing to retail, as both uses are within the Class E Commercial Business and Service use class. Nor are there size limits where a building is changing within the same use class.

A permitted development right is a national grant of planning permission. Conversion of an out of town office or retail (E class) building to residential use under the permitted development right will be limited to buildings of up to 1500 sq m, and developers must seek prior approval on a range of matters from the local planning authority.

For example, councils can consider through prior approval the impact on future residents of the introduction of residential use in an area of heavy industry, waste management and storage and distribution and whether conversion of the ground floor of buildings in conservation areas would be detrimental to the area. Also, to prevent gaming, the building must have been in Class E for two years before benefiting from the right to change to residential use.

c) Guidance on facemasks and exemptions following move to Step 4

Face coverings will no longer required by law. However, the Government expects and recommends that people continue to wear a face covering in crowded, enclosed spaces. Where worn correctly, this may reduce the risk of transmission to themselves and others. The guidance asks businesses to be aware that workers may choose to wear a face covering in the workplace.

At Step 4, guidance asks that businesses, including those in retail and hospitality sectors, consider encouraging, for example through signage, the use of face coverings by workers, particularly in indoor areas where they may come into contact with people they do not normally meet. This is especially important in enclosed and crowded spaces.

It also notes that some people are not able to wear face coverings, and the reasons for this may not be visible to others. It asks businesses to be mindful and respectful of such circumstances.

d) Will unpaid rent for residential tenants be ringfenced?

The Government has no plans to ringfence unpaid rent for residential tenants. The Government has taken decisive action to protect residential tenants throughout the pandemic backed up by billions of pounds. Financial support remains in place and the vast majority (91%) of private rented sector renters are up to date with their rent. The Job Retention Scheme and Universal Credit uplift are available until the end of September and for renters who require additional support, £140 million of Discretionary Housing Payments are available. New court rules and arrangements were introduced in September 2020 to respond to the pandemic for residential tenants and longer notice periods of at least 4 months are also in place until the end of September.

Yours ever,

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PAUL SCULLY MP
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Consumers & Labour Markets
Minister for London