

## Written evidence submitted by the Local Government Association [FPS 056]

### 1. About the Local Government Association (LGA)

- 1.1. The Local Government Association (LGA) is the national voice of local government. We are a politically-led, cross party membership organisation, representing councils from England and Wales.
- 1.2. Our role is to support, promote and improve local government, and raise national awareness of the work of councils. Our ultimate ambition is to support councils to deliver local solutions to national problems.

### 2. Summary

- 2.1. The [Government's Planning for the Future White Paper](#) includes proposals for a fundamental review of the existing planning system, requiring changes to primary and secondary legislation. We share the Government's aspirations for an efficient, well-resourced planning system that supports local involvement in designing, planning and creating great places for current and future generations. To succeed in meeting these challenges the planning system needs to be transparent, fit for purpose, and accessible to all.
- 2.2. Local government is ready to work with the Government to achieve these objectives. However, the current proposals lack the detail that is needed for full debate and comment. This lack of detail means that there are wide-ranging concerns about how the proposals will work in practice. Whilst we recognise the Government's aspiration to improve the current system, without addressing many of the detailed issues there is a significant risk that proposed changes could have a detrimental effect on the planning system. We have the opportunity to take the time needed to make improvements to the planning system. Conversely, if we get this wrong, the impacts will last for generations and some will be irreversible.
- 2.3. The evidence demonstrates that with [nine in 10 planning applications approved by councils](#), and more than a million homes given planning permission in the last decade not yet built, planning is not the problem. There is also land for more than one million homes already allocated in Local Plans which developers have not yet brought forward to planning application stage. There is no evidence that the planning system is responsible for holding up the build out of developments.
- 2.4. As we recover from the COVID-19 pandemic we need stability and certainty in planning, supported by the appropriate resourcing. The LGA's [Keep Planning Local campaign](#) calls for a locally-led planning system in which councils and the communities they represent have a say over the way places develop, which will ensure the delivery of high-quality affordable homes with the necessary infrastructure to create sustainable, resilient places for current and future generations.
- 2.5. Any review of England's planning system needs to consider not just the delivery of housing, but the many roles planning and local planning authorities undertake together with their communities to facilitate, create, revitalise, and make great places. Other areas that need to be considered include connectivity; accessibility; infrastructure provision; health and

wellbeing; access to green spaces; access to schools and jobs; and climate resilience.

- 2.6. The COVID-19 pandemic has highlighted stark inequalities within our society. This is especially so in health outcomes due in part to poor quality housing and a lack of access to services and green space. [Research commissioned by the Government](#) prior to the pandemic revealed that when a locally-led planning approach is removed allowing for nationally prescribed permitted development rights, the outcome has been poorer quality homes and places. [Permitted development rights](#) remove the ability of councils and local communities to shape the area they live in and ensure homes are built to a high standard [with the necessary infrastructure in place](#).
- 2.7. Communities are spending more time in their own neighbourhoods and at home and understand their needs now better than ever. Residents have clear, strong ambitions for their local recovery, development and long-term prosperity. [Public trust in councils is at an all-time high](#). During the pandemic, under challenging circumstances, local authorities have shown their agility and adaptability, continuing to engage with and support their communities. This reinforces how vital it is that councils and the communities they represent are empowered to shape how their areas develop.
- 2.8. Local democratic oversight and community engagement are critical factors in ensuring trust and transparency in planning decisions and all aspects of the planning system. Any new proposals for our planning system need to ensure there is no loss of local democracy, with councillors and communities being part of the process and having a say on individual planning applications.
- 2.9. A wholesale overhaul of the existing system and change to a new system will create uncertainty and take many years to deliver and implement across all of Whitehall and the planning sector. Constant changes to national planning policy over successive Government administrations have undermined councils' critical role in placemaking. [Austerity measures have further cut vital resources](#) for council staff and capacity necessary to lead on and carry out this work. We need to ensure that any changes to the planning system stemming from the proposed reforms build stability and certainty into the system, supported by the necessary resources, and give communities the ability to plan for their local areas.
- 2.10. Any discussion about changes to the planning system need to take a joined up, whole of Government approach if it is to deliver on its aspirations. This means recognising and accounting for changes to other relevant legislation such as the Environment Bill and the forthcoming Devolution White Paper. In the absence of any clear national strategy for long-term recovery it is unclear how these proposals will fit into a wider approach for supporting England as we move forward.
- 2.11. We support a shift to a more digital planning system that makes the planning system more accessible and efficient. Councils will need the appropriate resourcing to lead on this step-change and issues of digital exclusion will need to be addressed to ensure all residents can engage in the planning process. The planning process and timeframes need to allow the time and resources required to undertake a mix of genuine forms of engagement where the digital approach is either not the best, or not a possible option. Councils should have the flexibility to determine the most

appropriate way of engaging with the public that provides easier and more cost-effective ways of finding out about for example planning applications and planning decisions.

- 2.12. It is crucial that if we are to build more homes to higher standards that there are incentives (and penalties) to ensure developers and landowners build out their permissions and allocations to the high standards we all aspire for. Any changes to the planning system will need to include measures to incentivise developers to bring allocated sites forward in a timely manner or build out homes when planning permission has been granted. Councils need the tools to encourage/oblige developers to build out sites with permission in a swift and timely manner.
- 2.13. As we move into economic recovery, developers also need to have the confidence to invest. A programme of radical planning reforms likely to rollout over many years will likely lead to uncertainty and delays to investment.
- 2.14. As an absolute minimum, any replacement for Community Infrastructure Levy (CIL) and Section 106 development contributions should aim to capture at least the same amount of value as the existing system at an individual local authority level, rather than a national figure. However, if the government is serious about improving the existing land value capture mechanisms, any new model should strive to deliver a significant uplift in the amount of value, compared to the current system, to provide greater investment to fund the required infrastructure and affordable homes that areas need. It is crucial that local government is involved in the design of any new system for securing developer contributions.
- 2.15. Any planning reforms should support councils to work towards delivering a new generation of 100,000 high quality social homes per year. The case for investment in social housing as an economic stimulus will grow stronger post COVID-19, with [previous research for the LGA and partners](#) showing that investment in a new generation of social housing could return £320 billion to the nation over 50 years. [Separate research](#) has also estimated that:
  - every £1 invested in a new social home generates £2.84 in the wider economy
  - each new social home would generate a saving of £780 per year in Housing Benefit
  - every new social home would generate a fiscal surplus through rental income.
- 2.16. Council housebuilding and reforming Right to Buy (RTB) are both critical to boosting the supply of new homes. We have long called for the Government to allow councils to retain 100 per cent of sales receipts, set discounts locally and be able to adjust the proportion of receipts they are able to reinvest in new supply.
- 2.17. Before any changes to the planning system occur, planning departments already need greater resourcing. Currently, planning fees do not cover the true cost of processing applications and [taxpayers subsidise the cost at a rate of nearly £180 million a year](#). Councils need the ability to recover the costs of processing applications through locally-set fees. [Between 2010-11 and 2017-18 there was a 37.9 per cent fall in net current expenditure on planning functions and planning departments](#). This significantly reduces their capacity to ensure the delivery of new housing through the planning

process and enable the new supply of housing and appropriate infrastructure.

- 2.18. In addition, [analysis by the Institute for Fiscal Studies \(IFS\)](#) found that COVID-19 has put local government under significant fiscal pressure with councils potentially needing another £2 billion this year to meet all the pressures and non-tax income losses, with the potential to rise to £3.1 billion. This excludes further funding needed to cover local tax losses and one-off costs incurred to respond to the pandemic. The IFS's upper estimates suggest a potential funding gap as high as £9.8 billion by 2023/24.
- 2.19. Any changes to the planning system need to have sustainability at the heart and must consider the improvements and strategic interventions needed to support our shift to a carbon neutral future. Local government plays a vital role in leading the way to address climate change, reduce carbon emissions, and create the sustainable places we need. Many councils have ambitious climate targets and plans in place to achieve net zero carbon before the Government's 2050 target. Councils need the tools to become exemplars for using new smart technologies and sustainable construction methods supported by appropriate investment.
- 2.20. Any skills strategy for local authorities as a result of the White Paper needs to provide clear evidence for how this will be resourced. There is considerable concern from councils about their already stretched capacity. Councils will need the necessary resources to upskill officers to undertake the transition process locally and then implement the new planning regime over many years. Planning affects other areas of council business, and any changes to the system will have impacts well beyond planning departments, across all council operations as a whole.

**3. Is the current planning system working as it should do? What changes might need to be made? Are the Government's proposals the right approach?**

- 3.1. There are opportunities to improve the current planning system, and local government is best equipped and prepared to work with the Government on any changes to the planning system to ensure that it achieves shared aspirations. We outline our concerns regarding some of the Government's specific proposals below.

*Simplifying Local Plans*

- 3.2. Whilst we support the general principle of simplifying the current process for getting Local Plans in place, we do not support the proposals in the Planning for the Future White Paper consultation. Certainty in planning is critical to signal to communities and developers what development will happen in their area. However, there is no evidence in the consultation that the proposal will lead to the kind of certainty that is needed in the planning system. In addition, we do not support the Government's proposals for a simplified approach that removes or reduces democratic input later in the decision-making process.
- 3.3. The Government's White Paper proposals for a shift from a discretionary to rule-based system need robust evidence and justification. Proposals such as the new Growth/Renewal/Protect areas are still very unclear. To work with these as drafted would require early engagement with members of the public. However, genuinely constructive public engagement will take

longer than the proposed timeframes for completing Local Plans. We acknowledge that the Local Plan system does however need to be simplified and tightened up to reduce the scope for appeals.

- 3.4. There are a number of key areas where we think there is scope to make changes to the current plan-making process to make it less costly, faster and provide more clarity for councils, communities and the development industry. The Government should consider reducing the burden of Local Plan evidence by reviewing the extent of current evidence being collected and looking at how this might be streamlined. Alongside this, consideration should be given to sufficiently resourcing the Planning Inspectorate to enable them to provide early stage reviews of draft plans and advise on the level of evidence required. The Government should also remove the continuing requirement for councils to be able to demonstrate a five-year supply of land. One of the significant contributory factors to delays in getting Local Plans in place has been the numerous top-down planning changes since the introduction of the [National Planning Policy Framework \(NPPF\)](#).
- 3.5. The LGA has long argued that constant top-down piecemeal reforms, which lack regard to local circumstances, add further confusion to the planning system and undermine the premise of a genuinely local plan-led system that Government promised to local areas. These changes delay progress in getting plans in place as councils look to revise emerging plans to ensure they reflect the constantly changing national policy landscape before they are submitted for examination. This also adds unnecessary additional time and resource burden on both councils and the Planning Inspectorate. The Government needs to focus on avoiding large-scale reform which de-rails the good work councils are doing to get Local Plans in place and keep them updated. The Government should also make clear that greater weight can be given to relevant policies in emerging Local Plans at a much earlier stage than currently, to provide greater certainty to councils, communities and developers.

#### *Growth, Renewal and Protect 'areas'*

- 3.6. We do not support the proposal that all land in Local Plans is put strictly into one of three categories – Growth, Renewal, Protect. Local planning authorities are already required to set out the vision and framework for the future development of their local areas through a Local Plan, so it is unclear what problem the new proposed areas are trying to solve. It is also unclear how the new areas will work in detail. The Government's consultation has not provided evidence that the selected characteristics from the international planning systems which have been used as the basis for the proposed 'area' approach will work in practice. The White Paper fails to recognise that other planning systems have developed and currently exist within different legislative frameworks with different national and regional planning approaches which may be neither appropriate nor easily applied to the English system.
- 3.7. The proposed 'area' categories are too restrictive and do not reflect the complexity of the areas that Local Plans need to plan for. The planning process is iterative and should be based on agreed principles with the flexibility to balance the needs of developers against those of communities. Flexibility needs to be built into the system, allowing local authorities to respond to changing circumstances.

- 3.8. In principle we support the proposal that Local Plans should focus on where they can add real value and provide local communities a genuine opportunity to shape decisions to facilitate the delivery of sustainable, high quality places. However, in addition to land allocation Local Plans need to set out how and what land will be used based on agreed strategic goals and outcomes of each local authority together with their community. This requires making trade-offs to strike a balance between a local area's social, environmental, and economic objectives for current and future residents.
- 3.9. We support Local Plans becoming an interactive web-based map with data and policies easily searchable, and designations colour coded. Local authorities will need the appropriate resources to lead on the transition and implementation of this approach, as well as the long-term maintenance. Notwithstanding our view on the Growth/Renewal/Protect proposal, if this is taken forward then there needs to be flexibility to include sub-areas to deal with more granular planning issues. It is currently unclear for example how the uses within a sub-area will come forward for uses such as schools or open space. Communities and councillors will need the ability to be involved at a later stage on the proposed sub-areas before applications are given approval, due to their more localised impacts.
- 3.10. We do not support the first alternative option for a binary model of land whereby the Growth and Renewal areas are combined into one - extending permission in principle to all land within this area does not allow councils to control the appropriate type and mix of development. [The Letwin Review](#) evidenced that a greater differentiation in the types and tenures of housing delivered on large sites would result in increased market absorption.
- 3.11. We think that the proposal for 'areas' needs to be revisited and reworked together with local planning authorities who will be carrying out this work.

#### *Streamlining the development management content of Local Plans*

- 3.12. We do not support streamlining the development management content of Local Plans. Councils need to retain the ability to set local development management policies to meet the specific requirements of their community. Development management plays a key role in local authorities' ability to achieve their local planning vision and policies and long-term strategic outcomes. Centralising the process will remove the ability for councils to address local challenges and future needs with appropriate policies.
- 3.13. We would, however, in principle support a second alternative of removing the provision for the inclusion of generic development management policies within Local Plans where they repeat existing national policy.

#### *Replacing existing legal and policy tests for Local Plans with a consolidated test of "sustainable development"*

- 3.14. In principle we support the proposed removal of the existing legal and policy tests of soundness. A simpler test could be beneficial if the Local Plan being put forward is still considered robust. However, replacing the current Sustainability Appraisal (SA) system with a simplified "sustainable development" test requires more detail and clear definitions. We have concerns regarding proposals to replace the existing approach for

environmental assessments with a quicker, simpler framework simply to speed up the process. While we support greater efficiency in the planning system, the paper has not provided evidence that a “simpler test” and “slimmed down” approach will support achieving greater sustainability.

- 3.15. The White Paper does not provide detail on what will be in the simpler test for assessing environmental impacts on a Local Plan. Any new planning legislation must also consider and align with the plans and ambitions of the Government’s [25 Year Plan to Improve the Environment](#).
- 3.16. We support the recommendation that “environmental aspects of a plan be considered early in the process”. Any new planning legislation will need to align with final legislation from the Environment Bill, which the consultation notes will legislate for mandatory net gains for biodiversity as a condition of most new development.

#### *Duty to Cooperate*

- 3.17. The Duty to Cooperate has had mixed success and does not always guarantee a successful outcome from the process. The tool or method that replaces it will need to both require and incentivise meaningful cross boundary, joint-planning cooperation as part of a strategic approach to plan-making. This needs to ensure that developers are both incentivised and held accountable for alignment with agreed cross-boundary decisions. This will also need to align with future decisions following the Government’s Devolution White Paper about, for example, approaches to cross boundary cooperation and decision making. We agree with the County Councils Network [call for greater cross-boundary strategic planning](#) to address cross-boundary issues, and the District Councils’ Network call for this to include greater strategic alignment of cross-boundary infrastructure. We would welcome being involved in any discussions about this.

#### *Automatic outline permission for areas for substantial development in Growth areas*

- 3.18. Owing to the lack of detail in the White Paper, we have potential concerns about proposals wherein areas identified as Growth areas (suitable for development) would automatically be granted outline planning permission for the principle of development upon adoption of the Local Plan, while automatic approvals would also be available for pre-established development types in other areas suitable for building. We have concerns about proposals that would mean there would be no requirement to submit a further planning application to test whether the site can be approved. There could be potential merit in bringing masterplans and design guides forward to the Local Plan stage, and the opportunity to consider potential constraints such as archaeology or flood risk. This would mean that councils would have a strong Local Plan in place and could enable more local involvement before a site is allocated, rather than after, at which point a local planning authority has less influence. However, there are of course significant time and cost implications to this.
- 3.19. If a Local Plan is to be completed in 30 months then it is likely that less evidence will be collected. The proposals for a shortened 12-month timeframe for providing necessary evidence is unlikely to provide enough time to allow all evidence to be fully confirmed for each Growth area. This means that less detail may be known about an area to be ‘allocated’ than

is possible under the current planning process. The local authority would need the ability to set the criteria for the principle of development.

- 3.20. The proposal for a fast-track for beauty recommends that for Growth areas, legislation will require that a masterplan and site-specific code are agreed as a condition of the permission in principle. However, there may not be sufficient time, capacity, or resources to prepare a necessary masterplan even within the 30-month timeframe.

#### *Consent arrangements for Renewal and Protected areas*

- 3.21. We do not support the Government's proposals for Renewal areas. A genuinely plan-led system with a strong emphasis on local design preferences would not contain these potentially wide-ranging permitted development rights.
- 3.22. The proposal for Renewal areas is that they will have general presumption in favour of development through the three proposed routes, i.e. the new automatic consent route for schemes that meet the design and other prior approval requirement set out in the fast-track to beauty proposals; a faster planning application process for other types of development where a planning application for the development would be determined in the context of the Local Plan description; or through a Local or Neighbourhood Development Order. Each of these routes excludes the ability for local authorities to consider whether there has been a significant material change and the development is no longer appropriate prior to submitting the Local Plan. It also appears that the proposals potentially set up a dual system, whereby a developer could choose to exercise permitted development rights using a national pattern book approach or make an application for local plan-compliant development. There will need to be an appropriate balance between a national framework and the ability to make a local determination.
- 3.23. If the proposal for Renewal 'area' is taken forward, there should be local flexibility to split them into sub-areas. For example, in some areas it may be acceptable to convert commercial use to housing, but in others protection of employment sites would be critical. In such instance, local areas and guidelines should take precedence over national guidelines.
- 3.24. We recommend that the proposal to further consolidate other existing routes to permission which have accumulated over time, including simplified planning zones, enterprise zones and brownfield land registers are consulted on in parallel or together with the White Paper. Local authorities could be incentivised to use Local Development Orders more through greater skills, capacity and supporting resources.
- 3.25. Notwithstanding our view that we do not support the proposed Growth/Renewal/Protect three-area approach, if they are taken forward, we agree that proposals for development in 'Protect' areas should come through as planning applications. They should be judged against policies set out in Local Plans, rather than the NPPF which the consultation proposes. There should also be clear presumption in favour of the Local Plan, which could help to reduce speculative planning applications, freeing up resources in both planning departments and the Planning Inspectorate. However, it is not clear what a 'Protected' area would include or the criteria for including land or a building within it – this would need to be locally-determined. As we understand it, all land not allocated as Growth or Renewal would be Protected

*Allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime*

- 3.26. We strongly oppose the proposal for allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime because it does not support a locally-led planning approach, undermining Local Plans and removing the ability for councils to determine the decision most appropriate for their area. Due to the numerous pre-application consultation requirements, depending on the project's complexity, the National Significant Infrastructure Projects (NSIP) process can last a few years. The NSIP Development Consent Order (DCO) process whereby a consent is granted to successful projects, [could take up to a year longer than planning applications processed by councils](#). The process is also more difficult for the public to engage with, undermining a council's ability to determine together with their community what future development is needed and how their area should grow.

*A 30-month statutory timescale for Local Plan production*

- 3.27. Councils should get Local Plans in place in a timely manner to provide certainty to communities and developers wanting to invest in areas. Constant changes to national planning policy have impeded councils' ability to get plans in place and keep them up to date. However, it is highly unlikely that the proposed 30-month Local Plan timeframe will be sufficient in order to bring forward, for example, all relevant masterplans and design codes. Getting plans in place needs to be done well and councils need to be properly resourced to meet new timescales. In the Planning for the Future White Paper consultation the rationale for a shortened timeframe is to support a more efficient planning process. However, it is unclear how plans will be properly justified and evidence based if the new proposals speed up the evidence gathering requirements.
- 3.28. It is unclear how this new approach will speed up the planning process yet provide the flexibility needed to deal with complex issues or make amendments in local plans. There is also a risk that the 30-month timetable, and in particular a 12-month period to develop the Local Plan, may reduce opportunities for participation by the public in council decision-making processes that will affect them in the future. This may curtail councils' opportunity to hear from members of the public about issues that could lead to a more robust Local Plan and thus achieve better overall outcomes.
- 3.29. The White Paper does not provide detail about the new process or explain how it will help improve engagement, support meaningful engagement, or reach a wider local audience at the plan making stage. There is a high risk that communities will not easily engage in this new way, in addition to local planning authorities having limited resources to carry out meaningful community engagement with this new approach. There is also no detail about the potential impact if fewer individual applications go through planning committees and councillors will not be able to represent their communities where there are local concerns about individual applications.
- 3.30. The White Paper proposes that sanctions are placed on councils that do not meet the proposed 30-month timeframe. However, one of the challenges that councils face in getting Local Plans in place is frequent

changes to policy and legislation. This has not been mentioned in the White Paper, nor factored in in terms of the impact on the overall speed and efficiency of the plan making process. As such, it is completely unreasonable to penalise councils who experience delays in the process because of a constantly changing legal/regulatory framework.

- 3.31. While we support the suggestion that the Planning Inspectorate will be required to meet the new shorter timeframes, they will also need to have the additional capacity to achieve this and clear guidance to ensure a consistent approach is taken throughout the examination process.

#### *Neighbourhood Plans*

- 3.32. The LGA supports retaining Neighbourhood Plans as an important means of community input. Neighbourhood Plans will be fundamental going forward and therefore the Government's proposal on this needs to be strengthened. We also support the Government's proposal to make greater use of digital tools as part of neighbourhood planning. There is, however, little detail about how this will work with the new areas approach, particularly regarding how to ensure communities have the resourcing and access to the digital tools being suggested. Local government needs to be involved in the development of pilot projects and data standards that the Government will be exploring.
- 3.33. Local authorities must be adequately resourced to support getting Local Plans in place should there be any changes to the process as a result of the Government's consultation. Councils will need sufficient capacity and resourcing to support neighbourhood planning to get Local Plans in place if a new approach is adopted. Like Local Plans, Neighbourhood Plans must be supported by the relevant and necessary evidence to justify the strategy and policies set out within them. This places significant resource requirements on local communities who often find it necessary to employ the help of a planning consultant to deliver the plan. Neighbourhood Plans will need to reflect and align with any changes to the Local Plan process. It is unclear in the White Paper, however, how any new Infrastructure Levy will work with Neighbourhood Plans.

#### *Alignment with the Draft Building Safety Bill*

- 3.34. We are also concerned about the conflict between the provisions in the Planning White Paper and the new system of building safety underpinned by the draft Building Safety Bill. As the explanatory notes accompanying the Building Safety Bill make clear, ensuring new buildings are built to an acceptable standard will depend on a system of 'Gateways', to be achieved through secondary legislation and statutory guidance under the Town and Country Planning Act 1990. Gateway One requires developers to produce a Fire Statement at the planning application stage of the planning process (set out in paragraphs 40-44 of the explanatory notes). This would be impossible under the system proposed in the planning white paper. The removal of Gateway One would do significant damage to the proposed building safety system, in particular by preventing early engagement between the developer and the regulator - a key part element in achieving the culture change [Dame Judith Hackitt's report into the Grenfell Tower fire](#) called for.
- 3.35. Current changes proposed to Permitted Development Rights have a similar effect. If a means is found to retain the benefits of Gateway One, despite the proposed changes to the planning system, we urge the

Government to ensure those benefits also apply in relation to developments under Permitted Development Rights.

**4. In seeking to build 300,000 homes a year, is the greatest obstacle the planning system or the subsequent build-out of properties with permission?**

4.1. We support a stronger emphasis on the build out of developments and allocated sites. The evidence demonstrates that with [nine in 10 planning applications approved by councils](#), and more than a million homes given planning permission in the last decade not yet built, planning is not the problem. In addition, there is land for more than one million homes already allocated in Local Plans which developers have not yet brought forward to planning application stage. The White Paper provides no evidence that the planning system is responsible for holding up the build out of developments.

4.2. Councils are committed to getting homes built where they are needed but do not have all the planning powers to actually ensure it happens once planning permission has been granted. This could be achieved by councils having more powers to direct the diversification of products within sites, and a streamlined compulsory purchase process to acquire (at pre-uplift value) stalled sites or sites where developers do not build out to the timescales agreed with a local planning authority. Consideration should also be given to the introduction of financial penalties, for example council tax charges on developers who are not building out to agreed timescales. If the Government is to meet its aspirations on build out of new homes it needs to provide councils with the tools to encourage/oblige developers to build out sites with permission in a swift and timely manner.

4.3. The [LGA has published the report Speeding up delivery: Learning from councils enabling timely buildout of high-quality housing](#). This recognises that planning can only influence certain parts of the housing delivery chain which are impacted by a range of issues – including the availability of finance, a lack of visibility on land ownership and options on land, and a myriad of wider economic factors. The report highlights both the potential and the limitations of the measures councils can take to enable timely build-out of high-quality development.

4.4. Councils already play a vital role in housing supply as planning and housing authorities, as partners with house builders and registered providers, as direct builders, as providers of homes for the most vulnerable and as local place leaders. In order to tackle the national housing shortage, councils need to be empowered to build more affordable, good quality homes at scale, and fast, where these are locally needed. A genuine renaissance in council housebuilding is required to boost housing supply, help families struggling to meet housing costs, and tackle housing waiting lists.

4.5. Any reforms to the planning system should support councils to work towards delivering a new generation of 100,000 high quality social homes per year, which would help towards meeting the Government's target of 300,000 new homes a year by the mid-2020s. With [previous research for the LGA and partners showing that investment in a new generation of social housing could return £320 billion to the nation over 50 years](#), the arguments for investment in social housing as an economic stimulus will grow stronger post COVID-19.

**5. How can the planning system ensure that buildings are beautiful and fit for purpose?**

- 5.1. Decisions about the role of design in planning are best made by each local authority and should be locally-led. Local authorities need to take into account all material considerations, including design, and weigh them all up to arrive at an optimal decision on development. We therefore do not support the Government's Planning for the Future White Paper proposal for all local authorities to be required to produce a design code that is binding on decisions about development. We agree with the [National Design Guide](#) advice that any specific, detailed and measurable criteria for good design is most appropriately set out at the local level.
- 5.2. While a design guide can be a helpful tool that sets out principles and provides exemplars, it may not be the right tool for creating high quality places. There is also a risk that design codes could create an additional layer of documents to consider and require a lot of resources. Design codes may also be prescriptive, potentially thwarting design innovation. It is unclear how any new design guidance, e.g. pattern books, will fit with the existing design review panel approach given they are advisory and do not make decisions regarding planning permission.
- 5.3. There also needs to be consideration of how any new guidance or codes will align with existing national guidance, including the National Design Guide, National Model Design Code and revised Manual for Streets.
- 5.4. We recommend that further appointments [to the Government's new design body](#) must include local government representation.
- 5.5. There is merit in a step-change taking place to ensure that local planning authorities have the appropriate design skills. Whilst design is a specific skill set, there is scope for officers to become upskilled in design, for example by bringing them into the different stages of the planning process, working alongside others with design skills and giving officers the skills to better understand codes and the role of design in masterplanning. The [Royal Town Planning Institute \(RTPI\) recommends that to improve design quality and placemaking through planning](#), masterplanning should be a design-led, collaborative process, contributed to by government, local planning authorities and communities. Councils will need to have the appropriate resource to undertake any new approaches stemming from these proposals, or to bring in officers with a design skillset.
- 5.6. We are strongly against proposals which would legislate to widen and change the nature of permitted development for proposals or the proposal whereby a developer could follow the proposed national pattern book approach, circumventing the usual planning (i.e. Local Plan) process. Local authorities need to have the ability to determine whether a development will align with necessary infrastructure and meet the needs of current and future residents. It will be important that there is a balance between a national framework and the need for local determination of style and type.
- 5.7. As highlighted in the Raynsford Review of Planning, permitted development rights (PDR) have removed the ability of local planning authorities to secure planning requirements on affordable homes or wider place-making standards, meaning communities have no way to ensure developers meet high quality standards, provide any affordable homes as

part of the development or ensure supporting infrastructure such as roads, schools and health services are in place.

- 5.8. [Research commissioned by the Government](#) prior to the pandemic revealed that when a locally-led planning approach is removed allowing for nationally prescribed permitted development rights, the outcome has been poorer quality homes and places. [The Royal Institute of Chartered Surveyors found](#) that extending PDR to office-to-residential change of use has allowed extremely poor-quality housing to be developed in comparison with schemes that required planning permission. Across the five study authorities, the inability to apply Section 106 agreements to permitted developments led to a potential loss of income of £10.8 million and 1,667 affordable housing units. [PDR has also led to the loss of over 13,500 affordable homes through office conversions.](#)
- 5.9. We support well designed sustainable places that consider how places will be used and the impact on local communities and their future needs. This also means thinking about how places work within their wider context, beyond individual developments and beyond their aesthetics.
- 5.10. A well-designed proposal that meets local need, is sustainable, and supports the decarbonisation of housing to meet climate change objectives should in principle be approved based on its own merits and would not need to be fast tracked.
- 5.11. Councils also need the flexibility to set energy efficiency standards above the current building regulation standards to ensure they can meet their own ambitions to achieve net zero carbon and support better quality housing, both existing and new. This will also help grow and develop the skills base in the newly emerging green economy.
6. **What approach should be used to determine the housing need and requirement of a local authority?**
- 6.1. [In our submission to the Changes to the current planning system](#) consultation, we acknowledged that there are merits in introducing an element of standardisation in supporting councils to assess housing need, to reduce uncertainty and increase data transparency. However, we have continued to have concerns with the Government's standard method since its introduction in 2017 and the resulting figures it produces for local areas. The fact that this will be the fourth consultation in three years on the standard method reinforces our concerns with the overall approach.
- 6.2. [Our analysis of the methodology changes proposed in the Changes to the current planning system consultation](#) reveals that in terms of housing numbers there are some stark impacts in different parts of the country, and across different rural/urban areas. This demonstrates that a nationally set formula will always struggle to reflect local need. Further changes to the model, that will take into account constraints, will simply not be able to adequately reflect the wide range of constraints that impact on the ability of individual local authorities to deliver more homes.
- 6.3. We are also concerned that the proposals in the White Paper would introduce binding targets on councils, based on an unevidenced argument that worsening affordability is a result of not enough land being released where it is most needed. On the contrary, LGA analysis has shown that [more than a million homes granted planning permission in the past decade](#) have not yet been built. In addition, recent LGA analysis shows that there

are more than one million homes already allocated in Local Plans which developers have not yet brought forward to planning application stage. It is simply not equitable that councils and the communities they represent could be set binding targets, with associated sanctions if these are not met, when councils have limited tools to incentivise developers to build the homes needed at the scale and speed necessary. It is also important to note that simply building more homes does not and will not resolve affordability issues – having the right tenure mix to meet the needs of locally communities is vitally important.

- 6.4. It is our view that assessment of local housing need, including overall numbers and tenure mix, should be determined locally based on the relevant, most up to date evidence, because what might be the optimum tenure mix in one place, will not be in another. Any proposed new method should be optional to use for local planning authorities where it is considered to be appropriate for the housing market that they operate within.
- 6.5. This extends to the Government's proposal for First Homes in the Changes to the current planning system consultation. We support the principle of First Homes as a discounted home-ownership product which could assist first-time buyers to purchase a home. However, we do not support the mandatory requirement meaning that 25 per cent of affordable housing contributions should be First Homes. This will lead to the displacement of other discounted-market products, including those for affordable and social rent.
- 6.6. We do not support the proposals to raise the affordable housing threshold to 40 or even 50 homes. This will have a devastating impact on the delivery of affordable housing and deprive those in need of access to affordable housing. It will also further exacerbate the loss of affordable homes through other national exemptions, for example permitted development rights.
- 6.7. It is vital that any thresholds for affordable housing should be determined by local planning authorities based on assessment of local need for affordable housing.
- 6.8. The Government has now launched its £11.5 billion Affordable Homes Programme which will be delivered from 2021 to 2026. With only around 4 per cent of the current 2016-21 Shared Ownership and Affordable Homes Programme being used to fund homes for social rent, the Government should increase the focus on this tenure in the new programme. This also needs to include increased grant levels per home to maximise the number of viable schemes. Homes for social rent are likely to become increasingly important in delivering new supply should economic conditions result in a downturn in consumer demand or ability to buy home ownership products. A step-change in the delivery of social rented homes would also deliver long-term savings.
- 6.9. This needs to include an increased focus on homes for social rent and increased grant levels per home to maximise the number of viable schemes. In addition to giving councils the ability to retain 100 per cent of receipts from the sale of homes through Right to Buy with no restrictions on their use. Another quick but significant national policy change would be allowing Right to Buy receipts to be combined with Affordable Homes grant and other government grant funding streams.

**7. What is the best approach to ensure public engagement in the planning system? What role should modern technology and data play in this?**

- 7.1. Local authorities are best placed, through engagement with their communities, to make decisions about the most appropriate method for their residents to access plans and contribute to planning decisions. Councils should have the flexibility to determine the most appropriate publicity arrangements that provide easier and more cost-effective ways for local communities to find out about planning applications. This could include the use of social media and other electronic communications.
- 7.2. We support a shift to greater digitalisation in the planning system. It will be critical, however, that community engagement in decision making is retained, and that greater certainty doesn't create an inflexible system unable to respond to changes in demographics, economic changes, and local need. Whilst we appreciate that the shift to more digital, web-based Local Plans could make plans and related information more accessible, not all aspects of the public consultation process can be sped up without more resourcing. Even then, the proposal for the Local Plan stage to be the only opportunity to engage publicly during a plan's development means that it is critical that engagement is done well. Not doing this would undermine the intention for an equitable planning system. Councils will need resourcing for transition to greater digitalisation. Resources will also be required to upskill officers to both use and support the public in employing new digital methods.
- 7.3. In addition, we agree with the Government's White Paper in that local planning authorities should determine applications in a timely manner. However we do not support the proposal for an automatic refund of the planning fee should an application not be determined within the statutory time limits. This is because applications may be undetermined due to circumstances beyond the local authority's control, such as waiting for more evidence from the applicant. We support greater incentives rather than penalising councils and communities for something they cannot control.
- 7.4. Councils should also have the flexibility to determine the most appropriate publicity arrangements that provide easier and more cost-effective ways for local communities to find out about planning applications. This could include the use of social media and other electronic communications.
- 7.5. Many communities do not have access to the quality or speed of broadband required to engage in the new Local Plan or Neighbourhood Plan approach as proposed in the Government's White Paper. Some members of the public may either not be able to or not wish to engage digitally, and some aspects of the process may be better undertaken in person. The planning process and timeframes needs to allow the time and resources required to undertake a mix of genuine forms of engagement.
- 7.6. Issues of digital exclusion will need to be addressed to ensure all residents can engage equitably in the planning process and be informed about planning decisions affecting them. Councils need to be given the appropriate resources to ensure that they can support their communities through the transition and adoption of any new process, as well as the ongoing use of digital platforms as part of a more digitalised planning system.

**8. How can the planning system ensure adequate and reasonable protection for areas and buildings of environmental, historical, and architectural importance?**

8.1. We recommend that the appropriate local government organisations such as the [Association of Local Government Archaeological Officers \(ALGAO\)](#) are consulted on the proposed changes to the planning system. The ALGAO can provide the appropriate advice to support more sustainable outcomes for historic buildings and ensure that there is no risk that historic environment matters will not be appropriately taken into account as a material consideration in decision-making that could otherwise leave decisions open to challenge.

8.2. Regarding areas of environmental importance and sustainability, the White Paper is silent on the requirement for Local Plans to pursue carbon emission reductions in line with the net zero target under the [Climate Change Act](#). There is also no discussion about how national and local climate targets will inform the new Local Plans and planning decisions under the new system. These need to be included in any discussions about sustainability and need to take into account and align with existing and national targets in the national [25 Year Plan to Improve the Environment](#), and any future legislation stemming from the Environment Bill.

8.3. The Government's White Paper states that the ambition for homes built under a new planning system is for them to not need retrofitting in the future. In [our submission to the Future Homes Standard consultation](#) in February 2020 we supported proposals to increase the quality and carbon neutrality of both new build and existing housing stock. This is part of the wider transition necessary to achieve net zero carbon across all sectors. However, we strongly rejected proposals that would restrict local planning authorities from setting higher energy efficiency standards for new homes and we did not think that the Government's preferred option of 'fabric plus technology' was ambitious enough.

8.4. As drafted [the Future Homes Standard proposals](#) for design and environmental performance of buildings will free planning authorities from many planning obligations to focus more fully on enforcement of planning standards and building regulations. A number of councils have more ambitious plans in place to achieve net zero carbon before the Government's 2050 target and will need flexibility to help them achieve this.

**9. What changes, if any, are needed to the green belt?**

9.1. Green Belt reviews should be undertaken based on local evidence rather than a nationally prescribed sequence of assessment. This means that once the need to release Green Belt land has been identified, opportunities can be explored to create new sustainable and accessible communities, for instance also including opportunities to deliver improved transport access to employment sites or other services, as well as transport hubs. Local evidence will also ensure that other considerations can be taken into account in considering the protection or compensation for loss of Green Belt, for example balancing the need for new development with protecting the best and most versatile agricultural land (as defined in the Agricultural Land Classification). This is important so that councillors and their communities have the flexibility to make the necessary trade-offs locally.

10. **What progress has been made since the Committee's 2018 report on capturing land value and how might the proposals improve outcomes? What further steps might also be needed?**
- 10.1. Councils continue to be subject to challenge in the negotiation of individual planning applications on matters of viability including, but not limited to, the number of affordable homes a scheme can deliver. Councils often do not have sufficient skills and capacity to evaluate viability appraisals and so outsource them to independent consultants for advice. In contrast developers are well resourced. There is a need to raise the skills and knowledge in councils and provide them with greater resources to negotiate effectively.
- 10.2. The Government needs to go further in addressing the challenges to councils on viability grounds to make sure that where land values are significantly increased as a result of the grant of planning permission the price paid for the land takes into consideration all of the planning policy requirements for that site to ensure that development is sustainable and delivers all of the requirements set out in a local plan including necessary infrastructure.
- 10.3. In our submission to the Committee's 2018 inquiry into land value capture, we stated that it is essential that local planning authorities have the powers to engage and incentivise developers to build out sites where communities have agreed to development. We also stated that it would be important that Government helps to foster positive relationships between developers and councils and promotes the continuing importance of working in partnership. This is important in delivering a joint ambition for more of the right types of homes in the right places.
- 10.4. Local authorities needed to be involved in the development of any proposals to fundamentally overhaul the mechanisms for land value capture. We are pleased that the Government supported this in their [response to the Committee's inquiry](#).
- 10.5. To enable local authorities to effectively capture a greater proportion of the increase in land value through the granting of planning permission, it is important that the planning system is stable, providing national certainty whilst allowing flexibility to meet local needs. Such flexibilities should include adapting nationally-imposed permitted development rights and exemptions from funding contributions, including those to CIL and section 106, to local conditions.
- 10.6. There also need to be improvements made to compulsory purchase powers so they are simplified, and made faster and less expensive for local authorities. Further, reforms to the Land Compensation Act 1961 would ensure that local authorities have the power to compulsorily purchase land at a fairer price.

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