

Southend-on-Sea Borough Council

Report of Deputy Chief Executive & Executive Director,
(Growth and Housing)

To

Cabinet

On

15th September 2020

**Agenda
Item No.**

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Planning White Paper and associated consultations

Place Scrutiny Committee (Chair: Councillor Andrew Moring)

Cabinet Member: Councillor Carole Mulroney

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 On the 6th August 2020 the Government published its White Paper “Planning for the Future”¹. This consultation seeks views on a package of proposals for reform of the planning system in England 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 Planning White Paper states that it does not “address every detailed part of the planning system, its function and objectives, but rather focuses on the key reforms that can help improve the delivery and quality of homes and neighbourhoods, set within our drive towards net-zero greenhouse gas emissions by 2050”. Nevertheless, the proposals suggest fundamental changes to plan making and development management legislation compared with the current system.
- 1.3 The purpose of this report is to inform Members of the proposed changes set out in the Planning White Paper and associated consultation and the implications of these for planning in Southend. A summary of these proposed changes is set out in Appendices 1 and 2.

¹ <https://www.gov.uk/government/consultations/planning-for-the-future/planning-for-the-future>

2. Recommendations

- 2.1 To inform Cabinet of the proposed changes to the planning system in England being consulted upon in the 'Planning for the Future' White Paper**
- 2.2 That Cabinet recommends that the comments on the 'Planning for the Future' White Paper and associated consultation on planning matters set out in this report and appendices (Appendices 1 and 2) form the basis of the Council's formal response to Government in respect to these consultations.**
- 2.3 That Cabinet agree to delegate authority to the Deputy Chief Executive (Growth and Housing) in consultation with the Cabinet Member for Environment and Planning to finalise the Council's detailed response to the Government's consultation.**

3. Background

- 3.1 The White Paper follows the Prime Minister's promise in July of 'the biggest shake-up of planning since WW2'. It is also in line with the Conservative manifesto that said the government would simplify the planning process and would 'continue our progress towards our target of 300,000 homes a year by the mid-2020s'.**
- 3.2 The White Paper sets out the Government's key concerns with the current planning system, noting that:**
 - Current decisions are made on a case-by-case basis and assessments of housing need, viability and environmental impacts are too complex and opaque.
 - Councils are deemed to take too long to adopt a local plan with only 50% having an up to date local plan at present, taking 7 years to be in place.
 - The planning system has lost the trust of the public citing a recent poll where only 7% of respondents trusted their local council to make decisions about large scale development.
 - The current system is seen to be reliant on 20th century 'legacy software' that burdens the sector with repetitive tasks and discourages engagement.
 - The process for negotiating developer contributions to affordable housing and infrastructure is 'complex, protracted and unclear' and there is little incentive for strong design and high-quality new homes.
 - The current system does not meet the ambition for 300k houses to be built pa with current Local Plans only accounting for the building of 187k new homes a year.
- 3.3 The Government's proposals in the White Paper aim to unlock these 'barriers' to development and speed up the planning system. The proposals set out in the White Paper also follow on from a series of changes to the**

General Permitted Development Order and Use Classes Order in recent years designed to allow more flexibility for applicants to change the use of buildings without needing to submit a planning application and in particular deliver more housing.

4. Implications of the Planning White Paper for Southend

- 4.1 The aspiration of the Planning White Paper, which is to try to create a simplified system that enables greater public input and ownership, and provide clearer rules based requirements for developers, in order to support economic development and regeneration, is welcomed, subject to the detailed comments in the main body of the report. However, it is concerning that only limited detail has been provided on how these changes could be effectively implemented.
- 4.2 The White Paper's aspiration for greater use of technology in plan making and decision making is also supported in principle but this must be achieved without alienating members of communities who are not fully digitally engaged, and needs to be adequately resourced to enable the transition to the new system to be successful.
- 4.3 The White Paper is particularly light on detail in respect of policies for climate change and environmental protection. Proposed changes to the National Planning Policy Framework (NPPF), and the intent to provide new national development management policies must reflect the government's obligations under the Climate Change Act 2008 to achieve zero carbon by 2050 in setting out ambitious policies on energy efficiency amongst other matters. If those policies do so, it will strengthen the likelihood that new development will help meet those obligations. However, if the new national policies are weak, those obligations are unlikely to be met. The proposed new environmental assessment regime referred to in the White Paper (and to be consulted on in Autumn 2020) will also need careful scrutiny to ensure it meets the Council's (and others) declared aim to tackle the Climate Emergency.
- 4.4 The aspiration to try and create a simplified 'Infrastructure Levy' is also supportable in principle, but again, further details are required in order to understand how this will work in practice, particularly the intention to encompass affordable housing within the Levy, given the council's continued aspiration to ensure the on-site delivery of affordable housing associated with new development.
- 4.5 Further consideration will also be required to understand the level of funding that will be provided to support the transition to the new planning system, including investment in technology, greater community consultation at plan-making stage and the level of evidence required to support plan-making.

5. The Planning White Paper Proposals

- 5.1 The White Paper proposals are set out under three 'pillars' with key proposals set out below:

- Pillar One: Planning for development
- Pillar Two: Planning for beautiful and sustainable places
- Pillar Three: Planning for infrastructure and connected places.

Pillar One: Planning for Development

- 5.2 The Government views the current discretionary system where decisions to grant planning consent are made on a case-by-case basis, as one which causes unnecessary delay and uncertainty. Instead, it considers that development proposals should be determined by clear rules for what can and can't be done on each site. Under the present planning system local plans set out broad principles for development and allocate sites for particular types of land use e.g. housing, employment, community, or in some locations a mix of uses may be considered appropriate on a site. Some key requirements may be set out in policies, such as site specific access requirements, and for others, such as affordable housing, a broad target for the Borough is set (subject to national planning policy which prevents affordable housing being sought on sites of less than 10 units). Considerations of viability and particular site circumstances may mean that such requirements are subject to negotiation and trade off against other desirable outcomes (e.g. provision of other benefits) when an application is determined.
- 5.3 The new system is to be a **plan-led** one based on zoning where land in a local planning authority's area will be categorised for growth, renewal or protection. Each category will bring with it different routes for securing the necessary consent for development. Designation as a growth area will in effect grant outline planning permission. Renewal areas will receive in principle - and benefit from - some form of Development Order or applicants will submit a planning application. Protection areas will require submission of planning applications.
- **Growth Areas** *[These will be much like existing Local Plan Allocations]* – suitable for substantial development such as new settlements, new housing and employment allocations, or major urban regeneration sites (such as Queensway). However, these Growth Areas will have 'outline permission' automatically granted by the Local Plan with full permission via reserved matters or Local Development Order. In Growth (and Renewal) Areas, accompanying policy text would set out suitable development uses, limitations upon heights and densities and other specifications such as any sub areas identified for self and custom build housing etc. Areas of flood risk and other important constraints would be excluded from this category, unless any risk can be fully mitigated;
 - **Renewal Areas** *[Urban area of Southend, excluding any key 'Growth' areas]* – would cover existing built areas where smaller scale development would be considered. There would be a statutory presumption in favour of development being granted for the uses specified as being suitable in each area within the Local Plan. Renewal Area zoning would enable what the

Government terms as “gentle densification” and infill of residential areas, and development in town centres;

- **Protected Areas** where development is restricted [*Policy constraints*]. This would include areas such as Green Belt, Conservation Areas, Local Wildlife Sites, areas of significant flood risk and important areas of green space. At a smaller scale it can continue to include residential gardens in line with existing policy in the NPPF. Development contrary to the plan can still be sought, via a planning application, but the presumption in favour of the development plan will be stronger (an enhanced version of s.38[6] of the Planning and Compulsory Purchase Act 2004).

5.4 Other key changes described within Pillar One include proposals for:

- Development Management policies to be primarily established at a national level (through the NPPF), rather than locally with Local Plan policies focussing on any site or area specific requirements.
- Local Plans to be subject to a single statutory “sustainable development” test, replacing the existing tests of soundness.
- The removal of the “Duty to Co-operate” with neighbouring authorities.
- A new standard method for establishing housing requirements, which seeks to factor in local land constraints and opportunities, which would be developed as a means to drive the delivery of the national housebuilding target of 300,000 homes a year and which would be binding on the locality, rather than subject to assessment through Local Plan Examination (separate consultation referred to below), with further details to be announced.
- A new statutory timescale for Local Plan production by local planning authorities of 30 months.
- The well-established 8 and 13 week time limits for determining planning applications to be firm deadlines (with no locally agreed extensions of time). It is unclear whether this ‘firmness’ would also apply to the 16 week deadline for EIA developments.

Implications for Southend

- 5.5 In principle, the aspirations set out in the Planning White Paper to further front-load Local Plans with more site-specific requirements and design codes is supportable as a mechanism to provide more certainty and transparency. More details are required to understand how the new ‘sustainable development’ test for Local Plans will work in practice. In particular, it is unclear how local planning authorities will be expected to work effectively together with neighbouring authorities to deal with joint plan-making and cross-boundary strategic planning issues given the proposed abolition of the ‘duty to co-operate’. Further guidance will also be needed from Government to help local planning authorities determine how Local Plan preparation should progress where an authority has already formally consulted on an early draft Plan (at Reg.18). It is unclear how ongoing preparation of Local Plans and/or joint strategic plans should progress, particularly where those areas are already

considering joint strategic plan-making (such as in South Essex), and/or where devolution proposals might also impact on the progress of plan-making in the area. Without that clarity, plan-making may 'slowdown' rather than speed up in those areas.

- 5.6 The White Paper's aspiration to speed up the planning system needs to be tempered with the need to ensure the full range of impacts of new development is adequately assessed, quality design outcomes are achieved and communities are given full opportunity to engage with the system at the most appropriate time to positively influence place making. Whilst it is feasible that the new plan-making process outlined in the White Paper could be designed to function more effectively in terms of community engagement, speed of process and to ensure design quality, more detailed guidance would need to be set out by Government to ensure those aspirations can be delivered through the changes to the system being proposed. There is a concern that "local distinctiveness" could be undermined. "Gentle densification" needs considerably more clarification. Both these proposals could have significant impacts on Southend. To be effective, the NPPF will need to be more prescriptive in its advice regarding plan-making than it is now. However, the more prescriptive the NPPF becomes, for example, in setting out a new set of national development management policies, the less local autonomy there will be for Local Plans to help deliver distinct local aspirations, such as those for climate change etc., which are set out in Southend 2050.
- 5.7 The proposal for a binding housing requirement for each local authority is of concern. This is distinct from the current (and shortly to be updated) Standard Method for local housing need. The latter is 'policy-off' (a figure for local housing need against which plan makers currently balance constraints in their area to set a local target in their plan) whereas the former would be the 'policy on' figure that has already taken account of land constraints, for which a local plan must provide. The white paper suggests that constraints such as Green Belt, heritage and flood risk would be factored into the binding figure but how this can be done robustly at a national level is of concern. Ultimately the responsibility for setting the housing numbers that may demand Green Belt release would now pass to the Government.
- 5.8 There is concern on meeting a binding housing requirement, particularly given that delivery is primarily provided by the private sector. The White paper is somewhat silent on how it proposes to tackle delivery issues in the private sector such unimplemented planning application, 'land banking' and slow delivery to maintain high sales values.
- 5.9 Given much of Southend is urban and likely to fall within the proposed 'renewable zone' where permission in principle will apply, there is concern with the terminology in the White Paper around densification and infill for such areas. Contrary to the White Paper's aim to reduce the burden of evidence to support Local Plans, detailed evidence will be required to ensure such development comes forward sustainably and is restricted where appropriate.

- 5.10 Outside of the plan-making process, the White Paper's proposed removal of the discretionary extension of times for determination of planning applications beyond the 8 week and 13 week periods is a particular concern. This would reduce the time available to the Council to negotiate changes to planning proposals to turn them from schemes which would warrant refusal to ones, which following negotiation and input from officers, might merit approval. This is likely to be a source of frustration to the local development community and householders who generally respond positively to the availability of this mechanism and could lead to a greater number of planning appeals. The inability to extend determination times, may also result in applicants seeking to put greater emphasis (and time) into the pre-application process, and increase the requirement for council resources at that stage. The proposal to cap fees for pre-application discussions could exacerbate this.
- 5.11 Another concern is to try and understand how anticipated consultation proposals for devolution of local government would work in parallel with the changes to the planning system. It appears, though, that any larger local authority areas created through devolution would still have the flexibility to agree wider or different spatial plan-making areas, e.g. for major cross-border growth locations, if that were more appropriate to the area.
- 5.12 Whilst neighbourhood planning is to be retained along with the ability to create a local or neighbourhood development order, it appears unlikely that Action Area Plans would be enabled through the new system. Instead, a reliance would be placed upon the details included within policies guiding development in Growth and Renewal Areas. Policies for those areas would need to be very carefully written to guide development proposals effectively and avoid the individuality of neighbourhoods being lost.
- 5.13 The White Paper also expresses the Government's concern to speed up the build out of developments given permission, but other than making the suggestion that larger sites should enable a wider variety of developers and housebuilders to deliver new homes, offers little to further incentivise practical delivery. In order to avoid the potential for land-banking, for example, the Government could consider introducing tax incentives or duties on sites with planning permission which failed to be genuinely commenced or built out within clear timescales. Punitive measures may also need consideration, for example, loss of permission if a site is not substantially started within a defined timeframe.

Pillar Two: Planning for beautiful and sustainable places

- 5.14 The White Paper suggests that the importance of securing design quality in new development is to be strengthened at national and local level, including more engagement with local communities in developing design codes and master planning. The key proposals are set out below:
- A national model urban design code and new national body to support delivery of 'locally-popular' design codes, to be binding on decisions about development.

- Each authority to have a Chief Officer for design and place making.
- Homes England Strategic Objectives strengthened to give greater weight to design quality and environmental standards.
- A ‘fast-track for beauty’ to incentivise and accelerate high quality development – updating national planning policy (NPPF) to make clear that schemes which comply with local design guides and codes will have a greater advantage and greater prospect of swift approval.
- Legislate to ensure masterplans/design codes are agreed as a condition of ‘Permission in principle’ in Growth Areas.
- Legislate to widen and change the nature of permitted development so that it enables ‘popular and replicable’ forms of development to be approved quickly, helping to support ‘gentle intensification’ in Renewal Areas, including the introduction of ‘pattern books’ to help articulate standard building types etc., with the aim of speeding up delivery and fostering innovation in building industrialisation and modern methods of construction.
- Amend the NPPF to ensure the new planning system can more effectively play a role in climate change mitigation and adaptation and maximising environmental benefits when planning for and facilitating new development, whilst also providing a quicker, simpler framework for assessing environmental impacts and enhancement opportunities.
- Continue to conserve listed buildings and the heritage of other historic assets, including conservation areas, but explore whether there are streamlined ways of securing consent for routine works by providing for suitably experienced architectural specialists to gain ‘earned autonomy’ (approved provider) status to deliver routine listed building consent works.
- To complement planning reforms, move forward with proposals announced in the Future Homes Standard consultation in 2019, to ensure that all new homes produce 75-80% less CO2 emissions from 2025.

Implications for Southend

- 5.15 The White Paper suggests that the role of design and environmental standards is to be boosted in the work of Homes England. This is strongly supported as the public sector should play a leading role in driving up standards. The new national design guide and the initiative to create a new national body for design are also welcomed, as it is recognised that the standard of new housing across the country is often mediocre. However, it is considered unlikely that these positive initiatives will prevent poorer design outcomes for the increasing variety of new development routes, including dwellings being approved through permitted development compared with those granted planning permission. There is also a danger of national templates producing “lowest common-denominator” development.
- 5.16 Permitted development conversions of shops and offices are often quite poor in design quality and can have a prominent impact on the quality and appearance of the local environment, including main roads into the Borough. New dwellings provided through permitted development also often provide a poorer standard of accommodation for occupiers which would be found unacceptable, were planning permission formally required. There is a clear

danger that poor quality development will be perpetuated or worsened through the suggested increase in permitted development rights, despite the best intentions to improve the quality of design and development in situations where planning permission is needed. In commercial and mixed-use neighbourhoods, where significant opportunities for permitted development exists through recent changes to the Use Class Order, those changes have the potential to significantly alter the character of the area. The operation of broader permitted development rights also limits the ability of local people to significantly influence the quality of those proposals in their neighbourhood.

- 5.17 Standard design ‘pattern books’ may well improve the pace of delivery, particularly of new homes, but are unlikely to fully reflect local distinctiveness of communities. In practice, local design guides and codes will be crucial to ensure local distinctiveness in new development and these codes in themselves may reduce the range of development which can be agreed through a ‘pattern book’ approach. Resources to produce these guides and codes in a timely manner will be essential. The suggestion of using pilot schemes to test the ‘pattern book’ concept before it is accepted is sensible, but these must be carried out in a range of locations reflecting the urban and rural contexts. Members may wish to consider whether Southend should put itself forward as a potential pilot area.
- 5.18 Subject to sufficient resourcing and upskilling of planning departments, the greater emphasis upon delivering development that qualifies as ‘beautiful’ rather than simply mediocre, is welcomed. There is however a lack of clarity on what classifies as “beautiful” which could lead to a national definition that isn’t wholly appropriate to Southend. The proposed approach must give significant local autonomy in setting out local design standards and the NPPF will need to clarify how this will interact with the proposed new national development management policies. The recommendation that all local planning authorities have a chief officer for design and place making appears a sound recommendation which reflects the importance of creating places that people will want to live in, work and visit. Sufficient resources would need to be available to support this, and it is also clear that such an individual could come from a range of professional backgrounds.
- 5.19 The White Paper also proposes major changes to national planning policy and legislation to streamline environmental assessments, and changes are also to be ‘explored’ in terms of relaxing the listed building consent regime for experienced historic environment specialists. However, these changes are to be subject to separate consultation and so full details are not provided in the White Paper. As such it is not possible to fully understand whether these changes would retain sufficient protection for the environment and designated heritage assets in the Borough.
- 5.20 There is an overriding concern that despite the Government’s desire to improve the ‘beauty’ of new development the term is very subjective and combined with the general relaxation of scrutiny and greater freedoms to ‘fast-track’ development, as proposed, may result in poorer quality places with less locally distinctive buildings and neighbourhoods.

Pillar Three: Planning for infrastructure and connected places

- A new consolidated 'Infrastructure Levy' comprising a flat-rate, value-based charge, aligned to the final value of development, and levied upon occupation (replacing the current Community Infrastructure Levy and Section 106 planning obligations).
- Levy rates to be set nationally, but with greater certainty for communities and developers about the level of contributions expected and secured locally.
- The stated intention is to increase the overall amount of funding available for infrastructure.
- Local authorities would be enabled to borrow against future Infrastructure Levy revenue to help forward fund infrastructure delivery.
- Scope of the Infrastructure Levy could be extended to capture changes of use through permitted development rights.
- Reformed Infrastructure Levy should deliver affordable housing provision.
- More freedom for local authorities in spending the Infrastructure Levy.
- Recognition of the need for new skills and resources.

Implications for Southend

- 5.21 The proposal to create a simplified Infrastructure Levy is clearly intended to simplify the current system of S106 negotiations and local CIL application in order to improve certainty and speed up the planning process. If the new system were to lead to greater value capture from new development which could better fund local infrastructure provision, it would be difficult to argue against in terms of the benefits it could offer local communities where new development is proposed. However, until the new rates were known it would be impossible to understand whether the Government's new approach would lead to the higher funding returns being suggested. The White Paper is also silent upon how lower value areas would fare in funding infrastructure where Infrastructure Levy revenues were much lower, or perhaps even non-existent, due to depressed local land values. Of course, if Levy rates are set too high, this could end up driving developers away from areas that really need regeneration, such as the town centre and areas of social and economic deprivation.
- 5.22 Further clarification is also required in terms of how new community facilities and infrastructure would be secured on a major Growth Area development, such as a large new housing scheme. The White Paper implies the abolition of S106 obligations and if so, it would need to be made clear (through the NPPF etc.) how and when new community facilities and infrastructure would be delivered as part of new development 'zoned' as a Growth Area. Local Plan policy for example, may need to be made more precise in order to secure infrastructure delivery within an appropriate timescale. The approach towards ensuring the appropriate timing of infrastructure provision also needs careful consideration to ensure the new Infrastructure Levy assists in parallel infrastructure delivery, rather than result in delay. Councils may for example, find themselves more frequently involved in the delivery of new infrastructure

in collaboration with developers, particularly where forward funding was required until Infrastructure Levy revenue is payable as a development becomes occupied. The ability for Local Authorities to borrow against Infrastructure Levy receipts is proposed to speed up delivery, though this does present a risk as well.

- 5.23 Further details are also required in order to understand how the new Levy will work in relation to affordable housing. The White Paper states the Government's intention to ensure affordable housing delivery at least matches current delivery levels. Under the freedoms to be provided by the new Levy, the White Paper implies that local authorities could choose to prioritise funds raised through the Levy towards higher levels of affordable housing provision locally rather than other infrastructure requirements. The White Paper also suggests that on-site affordable housing delivery could remain a mandatory requirement where an authority has an affordable housing need (which is likely in the majority of areas) and wishes to ensure on-site provision. In such cases, the on-site delivery of affordable housing would be 'discounted' from the eventual level of Infrastructure Levy paid. Given the levels of affordable housing need which exist within the Borough, it will be important for the Council to make the point very clearly in its response, that it would be highly concerned if the Government's changes were to lead to a reduction in affordable housing provision.

Implementing the new planning system

- 5.24 The Planning White Paper is clear that the Government's proposals for the new planning system will *"have profound implications for how local planning authorities operate in future"*. It states that authorities *"will need to have sufficient leadership, a strong cadre of professional planners and good access to technical expertise, as well as transformed systems which utilise the latest digital technology. But equally importantly, there must be a fundamental cultural change on how departments operate. They need to be more outward looking, proactively engaging with developers, businesses, architects and designers, as well as a wider cross-section of their communities."*
- 5.25 To assist local planning authorities and others associated with delivering the planning process (i.e. the Planning inspectorate and other statutory consultees) in meeting this challenge, a national resourcing and skills strategy is also to be produced. A key element of this will be the principle that the cost of operating the new planning system should be principally funded by the beneficiaries of planning gain - landowners and developers – rather than the national or local taxpayer.
- 5.26 The White Paper also suggests that the planning reforms will be accompanied by strengthened enforcement powers and sanctions to deal with unauthorised development and breaches of planning consent. To accompany this, the Government expects local authorities to divert some of the resources 'freed up' by the reforms it proposes into enforcement activity.

- 5.27 Further details of transitional arrangements into the new system will also be expected to emerge in due course, as part of the implementation of the new planning system. This will be particularly important in respect of the plan-making and development management processes. The White Paper seeks to provide some assurances that transition will be planned to enable recently approved plans, existing permissions and any associated planning obligations to continue to be implemented as intended, with clear transitional arrangements for more advanced local plans and development proposals as the new system begins to be implemented.
- 5.28 Several key elements of the planning system will be subject to further consultation documents due in the autumn, including environmental impact assessment, and the proposed new Infrastructure Levy.
- 5.29 Careful consideration will be required by Government and local planning authorities to fully understand the level of funding needed to support transition into the new planning system. A national skills strategy should also fully reflect new obligations for planning departments arising from the new planning system, including the investment in new digital platforms and design skills/expertise.

6. “Changes to the current Planning System” consultation paper

- 6.1 A second paper titled “Changes to the current Planning System” was also published on 6 August, for comment by 1 October 2020. This seeks to put into place four main changes to the existing system to stimulate housing delivery post Covid 19. The changes are also proposed as ‘a step on the way’ towards the new system outlined in the White Paper, which is designed to achieve the Government’s ambition of at least 300,000 dwellings built per year in England. The four main topics addressed are:
- Changes to the Standard Method for assessing Housing Need.
 - Discounted First Homes for first time buyers.
 - Small sites threshold – allowing developers not to provide affordable housing for sites less than 40 or 50 units.
 - Extending Permission in Principle (PIP) to major developments.
- 6.2 These changes are intended to be put in place for at least 18 months, as part of the pathway to a new system, and will impact on Southend in a number of ways, as set out below.
- 6.3 The aim of the change in method of calculating housing need is to deal with the volatility of household projections, achieve a better distribution of homes across the country; be more predictable and deliver at least 300,000 homes per annum. The overall implication of the proposed changes is that the housing need figure for Southend will rise compared with the current assessed level

of need for 1,178 dwellings per annum.² The new Standard method will increase the overall housing figure for Southend to 1,324 pa, an increase of around 150 dwellings pa. The most recent housing completions figure for the Borough (2018-19) was 492. The change in calculation therefore provides the Borough with an even greater challenge in meeting its housing requirements. The White Paper does indicate that the Government may in future modify figures for authorities with constraints such as Green Belt. It is however currently unclear how this would work in practice.

- 6.4 First Homes are intended to be for sale for people with local links with a reduced purchase price in perpetuity of at least 30% below open market rate, with reductions potentially up to 40-50%. First Homes would automatically replace existing affordable market housing offers such as shared ownership and shared equity housing. Under the proposals a minimum of 25% of new affordable housing provision would need to be First Homes. Affordable housing calculations will need reconsideration to factor in First Homes. With the introduction of this new 'housing product' there is a strong potential that the number of affordable/social rent homes delivered in Southend could be reduced, which is of significant concern. This could also have implications on CIL receipts as First Homes will be exempt from CIL, and potentially the new consolidated Infrastructure Levy in due course.
- 6.5 In order to increase the diversity of housebuilders and encourage small and medium businesses section 106 contributions for affordable housing are to be removed on sites of up to 40 or 50 dwellings rather than current threshold of under 10. This will be for an initial period of 18 months, before being reviewed. Given the number of smaller schemes and the finite land supply in Southend this could have a significant short-term impact on Southend. This needs further consideration as it is likely to lead to a reduction in the delivery of affordable housing on smaller and medium sized sites. This is of significant concern, given the priority the Council places on providing affordable homes for local people. If the new higher threshold remains in the longer term, as a result of changes to the planning system being suggested by the White Paper it will have a much more significant effect in reducing the provision of affordable housing provided with new development locally.
- 6.6 'Permission in Principle' (PIP) was introduced in 2017 as a new faster way of obtaining planning permission for housing-led development, which reduced the need for landowners and developers to incur significant costs to establish the principle of development for housing. This was done by giving authorities the power to grant Permission in Principle to suitable sites allocated on registers of brownfield land. Subsequently, Permission in Principle by application was introduced in 2018, for minor development (i.e. small sites that support fewer than 10 dwellings). To date there has only been one PIP application in Southend and this was refused.

² Based on the current Standard Methodology
<https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

- 6.7 Permission in Principle is designed to separate decision making on 'in principle' issues addressing land use, location, and scale of development from matters of technical detail, such as the design of buildings, tenure mix, transport and environmental matters. The aim is to give up-front certainty that the fundamental principles of development are acceptable before developers need to work up detailed plans and commission technical studies. It also ensures that the principle of development only needs to be established once.
- 6.8 The Permission in Principle consent route has two stages:
- The first stage ("Permission in Principle") establishes whether a site is suitable in-principle for development. This grant of Permission in Principle is for five years and no planning conditions can be attached to it.
 - The second ('technical details consent') stage is when the detailed development proposals are assessed, and conditions can be attached.
- 6.9 A grant of Permission in Principle plus a grant of technical details consent together equates to full planning permission.
- 6.10 The Government's intention is to extend the use of PIP to larger schemes of up to 150 homes (or 5 hectares). This will enable applications for Permission in Principle to be made upon a much wider range of sites, enabling more landowners and developers to use this route to secure permission for new housing development. A large proportion of applications coming forward in Southend would potentially fall within this category. It is the Government's preferred approach for new housing applications and is seen as an interim step to the introduction of "Permission in Principle" proposed in the White Paper.
- 6.11 PIP applications would have very basic requirements and local planning authorities would not be able to ask for additional information with matters such as access seen as technical issues for a later stage. In particular, not being able to consider access in the PIP could have significant future issues for linking land use and transport planning. The proposed change could create more certainty for developers, but the potential for land banking of permissions appears to remain, as is the case with the present system. Incentives (or sanctions) may be necessary to encourage developers to build out permitted schemes. This is a stated priority of the Government in the Planning White Paper, but the Paper is light on how this could be achieved.
- 6.12 Taking these consultation proposals together, it is clear that they are likely to result in a markedly higher housing requirement for the Borough; a "temporary" reduction in the proportion of affordable housing able to be secured and a reduction in the proportion of social rented accommodation able to be provided. The extension of Permission in Principle is also likely to have major implications for the ability of Southend Borough Council (and neighbouring authorities) to effectively assess upfront the full range of impacts

of planning proposals including transport, with more detailed assessment of technical aspects of a scheme coming at a later stage.

- 6.13 Reduced time for making decisions and reduction in fee income will also inevitably have resource implications for the Council. It is also likely to lead to a potential “democratic deficit” for members, as the reduced timescales for Permission in Principle determination will significantly reduce the chance of relatively large projects with important local impacts going before planning committee and the proposed 2 week consultation period reduces opportunity for public input on these types of proposals.

7. Other Options

- 7.1 The proposals set out in the Planning White Paper will radically alter the current planning system in England. Not setting out the Council’s concerns with the proposed changes would miss an opportunity to influence the design of the new system in a way that would benefit the Borough.

8. Reason for Recommendation

- 8.1 To ensure that the Council provides a fully considered response to these wide ranging and significant changes to the current planning system in England, that takes into account the implications for planning and development, climate change adaptation and mitigation and equity in Southend.

9. Corporate Implications

Contribution to the Southend 2050 Road Map

- 9.1 The implementation of the Planning White Paper will impact on several spatial elements of the Council’s vision and priorities for Southend 2050, including outcomes relating to economic resilience, community cohesion, environment and climate change and health and wellbeing and infrastructure provision.

Financial Implications

- 9.2 There will be financial and human resource implications of the Planning White Paper arising from potentially significant changes to current processes. This may include changes to planning fee income, though at this stage it is unclear what that might be.

Legal Implications

- 9.3 To deliver its statutory local planning function under the current system, each local authority must engage with adjoining local authorities under the Duty to co-operate provisions set out in the Localism Act. This places a legal duty on local planning authorities to engage constructively, actively and on an on-going basis to maximise the effectiveness of development plan preparation in the context of strategic cross boundary matters. In addition, local planning authorities must demonstrate how they have complied with the duty at the independent examination of their Local Plans. This duty is proposed to be

removed in the White Paper, along with other legal tests such as the current test of soundness in preparing local plans.

- 9.4 The legal implications of the proposed changes to national planning legislation will need to be examined carefully as the Council continues to prepare its local plan pending these proposed changes to national planning legislation.

People Implications

- 9.5 Staff resources from the Planning and Building Control department will be required to implement the proposed changes for plan-making, development management, design and place making and enforcement functions.
- 9.6 Staff resources will also be required in collecting and monitoring the new consolidated Infrastructure Levy that is planned to replace the Community Infrastructure Levy and section 106 legal agreements. Whilst the intention is to simplify the system, at least in the short term there is likely to be an increased resource requirement to develop and process such a tariff including monitoring collection and spend of monies.

Property Implications

- 9.7 The changes to the planning system and planning contributions arrangements may affect delivery of projects including land within Council ownership.

Consultation

- 9.8 The Planning White Paper is a national consultation on land use planning in England and is open to the public to make comments for 12 weeks until 29 October 2020.

Equalities and Diversity Implications

- 9.9 The Government has stated that the current system “disproportionately encourages engagement from people from a narrow set of demographic groups – typically older, better off and white. We believe that the voices of those who may benefit most from new development are therefore often the quietest in the planning process”. It is intended that the proposed reforms will make the system more accessible, accountable, digital and transparent and will increase access and engagement for all groups up and down the country.

Risk Assessment

- 9.10 None that arise directly from the Council’s intended response to the Planning White Paper and the Government’s other consultations on the Current Planning System. The wider issues and potential risks associated with the proposed changes to the planning system should they be implemented, are set out in the body of the report.

Value for Money

- 9.11 The changes proposed in the Planning White Paper are high level in nature but in the short to medium term it is reasonable to surmise that the transition to a new planning system will necessitate investment in digital engagement and geo-spatial planning tools. The Council has already received funding from MHCLG to begin some of this work.

Community Safety Implications

- 9.12 Locally derived design codes have the potential to create improved community safety outcomes for new neighbourhoods and areas of renewal.

Environmental Impact

- 9.13 The Planning White Paper proposals significant changes to the environmental assessment regime. The white paper states that these will be subject to public consultation in Autumn 2020. Similarly, changes are proposed to National Planning Policy Framework in respect of climate change adaptation and mitigation, but these do not form part of the Planning White Paper consultation. As such it is not possible at this stage to consider fully the environmental, social and economic impact of the proposed changes to the planning system.

10. Background Papers

- 10.1 Local Plan Regulations 2012
- 10.2 Planning and Compulsory Purchase Act 2004.
- 10.3 National Planning Policy Framework 2019.

11. Appendices

- 11.1 **Appendix 1:** Summary of Southend Council response to Planning White Paper proposals.
- 11.2 **Appendix 2:** Summary of Southend Council response to “Changes to the current Planning System” consultation paper.