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Planning reform: a summary

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It seems the Prime Minister has made good on his promise of 30 June to implement "the most radical reforms to our planning system since the Second World War". I am not too proud to admit that, like many planning professionals, I was very sceptical about Mr Johnson's promise. However, the planning policy papers that followed suggest that reform may be more comprehensive than expected.

Firstly, at the end of July it was announced that use classes A and D will be revoked and a new use class E will be introduced which covers shops, financial and professional services, restaurants and cafes, offices, R&D and light industrial, gyms and some health services, crèches, and day nurseries. Any changes between these uses will not require planning permission. However, we note that at the time of writing, this may be subject to Judicial Review proceedings. For the time being, it may be that solicitors keep their drafting of use provisions very specific, without relying on the use classes.

Then, on 6 August, housing minister Robert Jenrick announced a whole suite of further reforms were open for consultation. These focus on addressing longstanding issues in the planning system that have created inefficiency, specifically the following:

Rule based system

The planning system we have today is based on fundamentally the same principles as in 1947, albeit with decades of reforms causing complexity and uncertainty. One of the central tenets is that planning decisions are made on a case-by-case basis, rather than being determined by a prescriptive set of rules. Whilst the current system certainly has its benefits, in that it is specific and can react to changes, it dramatically increases the cost and risk for developers. The Government is therefore keen to open up discussion on (ironically) moving to a more European approach of a rule-based system.

Simplifying Local Plans

Part of this rule-based approach would include simplifying the role of Local Plans. These would focus on identifying land under three categories; growth, renewal, and protected areas. It is anticipated that outline permission would be granted automatically in those areas designated for growth, whilst the general presumption in favour of development would apply in areas designated for renewal.

Digitisation

The White Paper recognises it is time for the planning system to move towards a modernised, open data approach. A rule-based system with designated zonal land usage would lend itself to a fully online, standardised system across all local authorities, with interactive maps and data layers that show which development is suitable where.

Design and sustainability

The White Paper pushes development that is "sustainable, beautiful, safe and useful", and also places greater emphasis on place-making. It suggests that beautiful projects will be fast-tracked, however this perhaps raises more questions than it answers regarding what would qualify.

Contributions

The consultation suggests that Community Infrastructure Levy and the current system of planning obligations will be reformed as a nationally set, value-based flat rate charge (the Infrastructure Levy). It is envisaged that this would greatly reduce the time and money spent agreeing s.106 agreements, as well as lead to more on-site affordable housing than at present. Currently, it is just "the current handful of massive corporations", as Mr Johnson put it, that have the experience and resources to reliably estimate the cost of their projects. It is hoped that a simplified and more predictable approach to contributions will make it easier for developers of all sizes to better understand the costs involved and contribute new housing stock.

This consultation will close on 29 October 2020, and it will be interesting to gauge the appetite for major reform, especially from overburdened local authorities who will have to readjust considerably.

Note that on 6 August, the Ministry of Housing, Communities and Local Government also published a separate consultation on changes to affordable housing provisions. We shall consider these separately. It's a challenge to keep on top of all the planning reforms at the moment!

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