

Committee: Borough Plan Advisory Committee

Date: 19 April 2011

Agenda item: 4

Wards:

Subject: Update on recent changes to the planning system

Lead officer: Head of Sustainable Communities, James McGinlay

Lead member: Cabinet Member for Environmental Sustainability and Regeneration,
Councillor Andrew Judge

Forward Plan reference number: N/A

Contact officer: Spatial Planning Manager, Tara Butler

Recommendations:

A. That Members note the content of this report.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. At the meeting on 19 January 2011, the Borough Plan Advisory Committee resolved to request that officers produce a report showing the opportunities pressures and cost implications associated with the Localism Bill.
- 1.2. The Localism Bill is continuing through Parliament and during this time, several changes have been made to the Bill since it was last reported to Members on 19 January 2011. In addition, there have been further changes announced to the planning system since January 2011, particularly arising from the Budget in March 2011. Government has confirmed that the Regulations which will set out details as to how the Localism Bill is to be implemented are to be published in the summer.
- 1.3. This report proposes to set out the changes to the planning system between January and April 2011. A further report will be prepared for a future meeting of the Borough Plan Advisory Committee once the Localism Bill and its associated Regulations are published.

2 DETAILS

- 2.1. The following changes have taken place to the planning system since January 2011.
- 2.2. The main changes to the planning system, which accompanied the budget, are detailed in the Plan for Growth Paper published on 23 March 2011. The highlights of changes to the planning system, are as follows:
 - The establishment of 21 enterprise zones;
 - All planning decision makers must consider the prioritisation of jobs and economic growth in determining planning applications;
 - There is a new presumption in favour of sustainable development so that the default answer is 'yes';

- The new national planning policy statement will be ‘pro-growth; containing the government’s key economic, social and environmental objectives and the planning policies necessary to deliver them;
 - Nationally imposed targets on the use of previously developed land (brownfield land) will be removed; however existing controls on open space designations including Green Belt and Areas of Outstanding Natural Beauty are to be retained;
 - Further changes to the use class order will be forthcoming, in particular, the relaxation in the need for planning consent will focus on empty offices and industrial units and their conversion to residential properties;
 - Through the localism bill, to extend to businesses the right to be able to propose and promote their own neighbourhood plans and neighbourhood development orders so as to remove the need for planning permission;
 - Streamlining planning applications and related consent regimes including a 12 month guarantee for processing all planning applications including appeals;
 - The Homes and Communities Agency (HCA) will be given the go ahead to pilot auctioning land and will be testing a ‘buy now pay later’ scheme for developers allowing the building and completion of homes before having to pay for the land;
 - A new Government backed shared equity scheme called ‘First Buy’, worth £250 million, aimed at helping 10,000 first-time buyers to purchase newly built properties was also announced;
 - Council’s if requested by developers, are urged to review unimplemented permissions subject to section 106 obligations that were agreed before the economic downturn so as to ensure that development remains viable;
 - Adopt a new, less costly zero carbon standard for all homes built after 2016;
 - Duty for local authorities and public bodies to co-operate on planning issues beyond their boundaries, such as, infrastructure requirements;
 - Applications for major infrastructure projects will be handled by the new Major Infrastructure Unit under the umbrella of the Planning Inspectorate. Applications will continue to be subject to the fast track system already in place but ultimately decisions will be taken by Ministers.
- 2.3. Appendix 1 to this report sets out some of the above changes and their sources in more detail.
- 2.4. The government has indicated that further clarification, explanation and details on some of these changes to the planning system would be available in May 2011. Once these have been received, the opportunities, pressures and cost implications for Merton will be reported to Members.

3 ALTERNATIVE OPTIONS

- 3.1. None for the purposes of this report.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Consultation was undertaken with the Department for Communities and Local Government on the changes to the planning system, including the provisions of the Localism Bill and the publication of associated Regulations.

5 TIMETABLE

- 5.1. None for the purposes of this report.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. None for the purposes of this report.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. None for the purposes of this report.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. None for the purposes of this report.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None for the purposes of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. None for the purposes of this report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1: more details on changes to the planning system: January-March 2011

12 BACKGROUND PAPERS

- Budget 2011 – the Plan for Growth (HM Treasury, March 2011): this document can be found online at http://cdn.hm-treasury.gov.uk/2011budget_growth.pdf
- Localism Bill (2011)

Appendix 1: Borough Plan Advisory Panel 19 April 2011

Source

Localism Bill – first introduced to parliament on 13 December 2010 and plain English guide written in 17 January 2011.

Highlights

The Localism Bill will pass greater powers over housing and regeneration to local democratically elected representatives in London. It will empower the democratically elected Mayor to carry on housing investment activities currently carried out by the Homes and Communities Agency (HCA), and the economic development work done by the London Development Agency.

Regional Spatial Strategies are to be abolished.

Provision in relation to local government:

- a general power of competence for local authorities and relevant Fire and Rescue Authorities;
- change to local authority governance arrangements including provision for directly elected mayors;
- the abolition of the Standards Board regime; and,
- requirements for local authorities to set senior pay policy statements.

Development plan to comprise of:

- Neighbourhood development plans; and,
- A ‘local plan’ – usually a core strategy.

Removing the ability of the planning inspectorate to rewrite local plans.

A Development Plan should be consistent with new National Policy Planning Framework. The government intend:

- to replace PPGs, PPS, circulars etc;
- to review all current policies; and,
- for professional institutions to draft accompanying good practice guidance.

<p>Gives local people the right to produce their own neighbourhood plans. New neighbourhood development plans:</p> <ul style="list-style-type: none"> ➤ must be in general conformity with strategic policies of development plan; ➤ should be led by parish councils or newly formed neighbourhood forums; ➤ boundaries preparation and approval assisted by the Local Planning Authority; ➤ should be subject to examination although with limited interference from independent assessor; ➤ should be subject to a community referendum (51% of community must be in favour of the plan); and ➤ new CLG funding can be bid for now, by community organisations, for <ul style="list-style-type: none"> - working with their LPA preparing DPDs or SPDs - making representations on proposals for planning permission - participating with LPAs on proposals for planning permission - working with developers in preparing development proposals 	<p>In certain circumstances, allowing communities to bring forward or approve small local developments, through referendum, without the need for planning permission.</p>
<p>A requirement for developers to consult local communities before submitting very large planning applications.</p>	<p>New duty for local authorities to co-operate.</p>
<p>Changes to the Community Infrastructure Levy (CIL) includes:</p> <ul style="list-style-type: none"> ➤ allowing some funds to be passed to neighbourhoods where development has taken place; ➤ spending as revenue as well as capital costs (for instance, money raised through CIL to be also spent on maintaining infrastructure); and, ➤ for local authorities to have more control over charging levels. 	<p>Ending predetermination rules to allow councillors free to discuss and lobby on development without being accused of bias.</p>

	<p>Proposals require local authorities to maintain a list of assets of community value. Communities will have the opportunity to nominate for possible inclusion the assets that are most important to them. When listed assets come up for sale or change of ownership, community groups will have time to develop a bid and raise the money to buy the asset when it comes on the open market. This will help local communities keep much-loved sites in public use and part of local life.</p>
	<p>Infrastructure Planning Commission powers to transfer to Secretary of State</p>
	<p>National Policy Statements to be approved by Parliament.</p>
	<p>Social Housing tenure reform: more flexible arrangements for people entering social housing in the future:</p> <ul style="list-style-type: none"> ➤ Social landlords will be able to grant tenancies for a fixed length of time; ➤ The minimum length of tenancy will be two years, and there is no upper limit on the length of tenancy; ➤ Councils will continue to be able to offer lifetime tenancies if they wish; ➤ Allow local authorities greater freedom to set their own policies about who should quality to go on the waiting list for social housing in their area; ➤ Reform of council housing finance; ➤ National homeswap scheme; ➤ Reform of social housing regulation.
<p>Localism Bill- proposed changes in February – March 2010</p>	
	<p>The government has committed to look again at the duty to cooperate that would require local authorities to work together across boundaries.</p>
	<p>The government has committed to look again at dealing with the provision of affordable housing through the community infrastructure levy (CIL), rather than S106 obligations.</p>

The Minister has also said that he is to “reflect very carefully” on amending the Bill, so that Local Authorities would have to have an up-to-date development plan by the end of 2012, after which a presumption in favour of sustainable development would apply.

The government has committed to consider the minimum number of members that constitutes a ‘neighbourhood’ by revising the minimum number of members from 3 up to 20 for the purposes of neighbourhood planning.

A proposed amendment to the Bill that would have included the ‘Town Centres First’ approach in primary legislation was withdrawn, on confirmation that the PPS4 policy would be included in the proposed National Planning Policy Framework.

The Budget: The Plan for Growth Paper - 23 March 2011

21 new enterprise zones are to be established, initially targeted at traditional manufacturing areas.

- > local authorities will be allowed to keep the business rate growth in their zones for a period of a least 25 years to spend on development priorities;
- > offer simplified planning restrictions amongst other incentives.

(Eleven locations have been identified so far including the Royal Docks site in London (comprises of 125 hectares). Local Enterprise Zones were invited to come forward with proposals for the remaining ten sites or the CLG will also oversee a competition to identify the next enterprise zones by the autumn.)

All planning decisions makers must consider the prioritisation of jobs and economic growth in determining planning applications. The consideration has effectively been made a material one with immediate effect.

There is a new presumption in favour of sustainable development so that the default answer is 'yes'. The Government wants more development in 'suitable' and 'viable' locations. There will be one national planning policy statement which will be 'pro growth'. It is intended for existing national planning guidance to be consolidated into one concise and simplified statement to be issued for public consultation later in 2011. This will contain the Government's key economic, social and environmental objectives and the planning policies necessary to deliver them.

The draft wording of the definition of sustainable development is to be made available in May 2011 to be ultimately incorporated into the National Planning Policy Framework.

In order to prioritise growth and jobs it is expected for local authorities to press ahead with up-to-date development plans which set out the opportunities for growth in their areas.

Existing controls on the Green Belt and Areas of Outstanding Natural Beauty are to be retained but nationally imposed targets on the use of previously developed land, also known as brownfield land, will be removed.

(Draft wording of the changes will be published for consultation in May 2011.)

Further changes to the use class order will be forthcoming, in particular, the relaxation in the need for planning consent will focus on older empty office and industrial units and their conversion to residential properties.

Through the localism bill to extend to businesses the right to be able to propose and promote their own neighbourhood plans and neighbourhood development orders so as to remove the need for planning permission – for example, employment generating development within a large industrial estates or business parks.

Streamlining planning applications and related consents regimes including a 12 month guarantee for processing all planning applications including appeals. Such measures will be the subject of consultations

The Homes and Communities Agency (HCA) will be given the go ahead to pilot auctioning land. This is an attempt to free up development land and incentivise more planning approvals for new homes, business parks and other development.

The HCA will also be testing a 'buy now pay later' scheme for developers allowing the building and completion of homes before having to pay for the land . It is intended for this to be used as a technique to deliver housing more quickly.

A new Government backed shared equity scheme called 'First Buy', worth £250 million, aimed at helping 10,000 first-time buyers to purchase newly built properties was also announced.

Councils, if requested by developers, are urged to review unimplemented permissions subject to section 106 obligations that were agreed before the economic downturn so as to ensure that development remains viable.

Adopt a new, less costly zero carbon standard for all homes built after 2016. Central to the nation's commitment to slash carbon emissions, the new standards pave the way for the green transformation of Britain's homes, making them more efficient, warmer and cheaper to run.

Duty to for local authorities and public bodies to co-operate on planning issues impact beyond their boundaries such as infrastructure requirements.

Applications for major infrastructure projects will be handled by the new Major Infrastructure Unit under the umbrella of the Planning Inspectorate. Applications will continue to be subject to the fast track system already in place but ultimately decisions will be taken by Ministers