

# THE PLANNING WHITE PAPER A CRITICAL OVERVIEW

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- 1 The Planning White Paper is intended to bring the house down on the planning system we are all familiar with. The foreword, which is written by the Prime Minister, proposes:-

"Radical reform unlike anything we have seen since the Second World War.

Not more fiddling around the edges, not simply painting over the damp patches, but levelling the foundations and building, from the ground up, a whole new planning system for England."

- 2 The object of reform is to unleash economic potential, boost growth and national prosperity, especially against the backdrop of Covid19. Planning is viewed as a drag on growth. Anachronistic, embodying 20<sup>th</sup> century technology, blocking quality and beauty and delivering mediocrity, it just isn't up to the job. This state of affairs is to be tackled by creating a planning system which is "simpler, clearer and quicker to navigate, delivering results in weeks and months rather than years and decades". It is to actively encourage, not obstruct development which is "beautiful, safe and useful." The new system is also intended to ensure developers make a proper contribution to the provision of infrastructure and to open-up the housebuilding market to smaller builders. Local communities should not worry about any of this: rebuilding is intended to ensure they are more easily and better engaged in plan-making and decision making, which will have a neighbourhood focus.
- 3 Those are all laudable objects. How is it all to be done? The Government proposes to build the new system on three "pillars".
- 4 **Pillar One is called "Planning for development"**. It is all about speeding up and simplifying the plan making and development management process to speed up the delivery of development. It's all about short, sharp timetables, reducing the discretion of planning authorities (with the threat of penalties for laggards and bad decisions). The new world will be rule based. Public engagement by paper is to be binned. Instead, it is to be encouraged by the use of new technology ("PropTech"). In the new world, you will need a computer.
- 5 **Pillar Two is called "Planning for new and sustainable places"**. It is all about national and local design guides and codes, supported by better and more plentiful design expertise. Beauty is to be "fast-tracked" by standardising notions of what is beautiful. And the assessment of environmental impacts is to be speeded up and simplified, whilst simultaneously conserving and

enhancing listed buildings and conservation areas and delivering “zero carbon ready homes”.

- 6 **Pillar Three is called “Planning for infrastructure and connected places”.** Essentially it is concerned with replacing the separate section 106 and CIL regimes with a single charging regime to better capture development value to fund infrastructure, allow contributions to be utilised more flexibly and deliver more affordable housing.
- 7 The purpose of this paper is not to nit-pick. That would be pointless. The White Paper is intended to be schematic rather than a detailed blueprint. Nor is it to catalogue all that is proposed. That would be dull, and anyway the White Paper is there to be read.
- 8 Instead, the object is to highlight the principal components of the new structure, and the issues, challenges and occasional contradictions inherent in what is proposed. Seven key points will be developed. They are:-
  - (1) The tension that exists between the White Paper’s centralising tendency and the desire to promote greater engagement, transparency and localism.
  - (2) The tension created by a drive for speed and certainty on the one hand and local choice on matters such as design quality on the other.
  - (3) A refusal to sacrifice or better manage sacred cows, such as green belt and delivering homes and balanced economic growth where it most needed.
  - (4) A disjuncture with other of the government’s strategic policy initiatives, notably local government review and the universal adoption of single tier local government.
  - (5) The question of whether the Government is really flying a kite in the knowledge that it can always cut back what is proposed, or whether it really is intent on demolishing what exists and rebuilding from scratch.
  - (6) Linked to the last point, the sketchy nature of some (but not all) really important proposals, which are not going to be fleshed out quickly or easily, but without which the demolition and rebuilding of the planning system is impossible.
  - (7) The imbalance between dogma and reality and the consequent difficulty of implementing much of what is canvassed. The White Paper gives the

distinct impression that whoever wrote it has never actually written a local plan or determined a planning application.

- 9 There is an eighth object underlying the reforms, which is to limit the scope for intervention by the court and lawyers more generally. The need for speed, which is to be effectuated by EiP's subject to selective invitation and written representations, a reduction in the number of judicial reviews and planning appeals, are all steps plainly intended to limit the opportunities for lawyers (and those who instruct them) to participate in decision making. That is not altogether a bad thing. Litigation is a source of additional delay, cost and risk. But if checks and balances are to be reduced, the house had better be built properly by skilled and conscientious builders. This paper is intended to help the reader to judge whether they are the kind of people that have been employed on this project.

## Pillar One: Planning for development

### *The innovations in a nutshell*

- 10 Pillar One is concerned with process. The most striking innovation is a proposal that land use plans should identify three kinds of land. (1) ***Growth areas*** suitable for substantial development; (2) ***renewal areas*** which will often be existing urban areas and rural areas which are not growth areas or ***protected areas***, and protected areas – pretty much the rest, but including Green Belt and AONB, conservation areas, areas at risk of flooding etc.
- 11 The National Planning Policy Framework will be the primary source of development management policies. General and generic development management policies will become a thing of the past. In growth and renewal areas policies will focus site or area specific requirements e.g. height, density and land use. Sustainability appraisal will be greatly simplified. The duty to cooperate will be abolished.
- 12 When growth areas are defined they will be accompanied by an outline planning permission. Detailed consent will be obtained by a reformed reserved matters process, a LDO or a Development Consent Order under the Nationally Significant Infrastructure Projects regime.
- 13 Renewal areas will not have an outline planning permission. They will benefit from a presumption in favour of development. However, planning permission would be granted automatically if they meet certain design code and other pre-specified criteria. Or they might be subject to a "faster planning application process; or a LDO or neighbourhood development order might be used.

- 14 The “need for speed” to deliver growth will be achieved by digitalisation of the planning process. Local plans will follow a “model” template. Plan making will be made quicker by a shift from “documents” to “data”. Plan making will be collapsed into a 5 stage, 39 week process. LPA’s will be under a statutory duty to adopt a local plan within a specified period of between 30 months and 42 months. Those that fail to do so will be subject to intervention, having regard to matters such as the housing requirement. Neighbourhood plans will be retained.
- 15 As for planning decision making (where it still happens) the White Paper canvasses the grant of deemed planning permission where decision making is too slow; refunds on planning applications if time limits are not met, and the refund of application fees if committee decisions to refuse are overturned on appeal.
- 16 To deliver a substantial increase in the supply of housing, a binding standard requirement would be imposed on each area reflecting such matters as the size of the existing urban settlements, land constraints, such as Green Belt, and relative affordability. The need to maintain a five year land supply would disappear, but the housing delivery test would be retained, as would the presumption in favour of sustainable development.
- 17 That begs the question, how well will the new building function? There are five key issues.

*(1) The transparency versus speed trade-off appears to be loaded against local people*

- 18 It is difficult to square notions of transparency and engagement with the breakneck speed of local plan making, the reduced facility for public engagement in that process, the grant of planning permission in outline and the use of development consent regimes. That is particularly so when growth areas are designated in rural areas for controversial development such as new villages, sustainable urban extensions and business parks. It simply is not clear how community engagement in these areas is mediated with the need for speed and clarity. In this respect it is striking that the White Paper concedes it has yet to work out “the most effective means for neighbours and other interested parties to address any issues of concern” where the principle of development has been established. Frankly, that ought to be relatively easy compared with dropping a new village on someone and giving them 39 weeks to deal with it.

## *(2) Government is intruding significantly on local freedom and choice*

- 19 The White Paper is a signal that the government has finally lost its patience with local government's inability to deliver enough new and affordable homes and growth more generally at pace or at all (in some places). That is understandable. But its response is ill-judged and internally inconsistent.
- 20 Local housing requirements will in future be determined by Whitehall. In a sense, that might be welcomed by local politicians, who can at least tell people that their hands are tied. They will then be distributed in accordance with the general policies of the NPPF, which is likely to be expanded to encompass new notions such as "gentle densification" (aka "town cramming"?) Design guidance and codes will also be handed down from central government (see Pillar Two). Development may well be delivered by the spade-load. But even if local design codes are published alongside neighbourhood and local plans it is difficult to see how local people will avoid the sense of being "done to from on high" or engage effectively at the application scale.

## *(3) Inconsistency with the wider policy agenda*

- 21 The breakneck pace of plan making and decision taking does not sit very easily with the scaling up of local government through LGR. Just how does the government expect new unitary councils to develop plans across their whole area in just 39 weeks (or 30/42 months), and take local people with them? Do they really expect neighbourhoods identified against their wishes as growth or renewal areas to embrace plan making? The rhetoric is impressive, but the reality is localism has gone out of the window.
- 22 It is certainly possible that as scaled up local government becomes more remote from the people, new unitary councils will find it easier to make tough decisions by "dumping growth" in one or two locations, and leaving it to one or two local members to take the heat that comes with it as others breathe a sigh of relief. But that is unlikely to enhance the reputation of planning even if it delivers more homes. The new Johnsonian edifice may not have damp patches. But people may prefer their old building.
- 23 Then there is the failure to slaughter sacred cows, such as Green Belt. The White Paper wants to address issues of affordability. Yet it simply conveys no idea of how the government will tackle the principal driver of high prices, which is the scarcity value of housing, in areas of constraint (shortages of developable land where people want to live) that will in future be protected areas. Rampant inequality and disadvantage will be embedded in the new

system. Blunt instruments, such as Green Belt, will be made even blunter in their effect by a mindlessly blunt rule based planning system. The fetish like attachment to technology is not a bad thing per se. But phrases such as "the computer says no" look set to become a part of the planning lexicon.

*(4) Dogma versus reality: did the writers of the White Paper ever work in planning?*

- 24 Many of the ideas contained in the White Paper are exciting. As a piece of blue sky thinking its stimulating and challenging. But it is not very sensible and is mired in dogma. The new emphasis on data rather than documents is a case in point. Data is useful: it promotes rational decision making. But not until it is interpreted. That requires analysis and the drawing of conclusions. Those conclusions and the reasoning that underpins them need to be tested. That requires....documents; how else does one judge which version of the multiple interpretations of data that will be thrown at the LPA is "right". Unless, of course, anything worth deciding has already been decided. There may well be a lot more data, but it won't mean much and people will not be doing much with it.

*(4) Equity*

- 25 One of the real difficulties with the proposals is the unfairness that would be worked on whole communities and sections of society compared with the beneficiaries of rebuilding. Thus the focus on data rather than documents will tend to benefit the highly educated, technologically savvy and digitally connected and do little to encourage participation by disadvantaged groups. That tendency will not easily be corrected by local democratic representatives via the LPA, since they and the LPA will play a residual role, especially if they represent growth areas. Residents of protected areas will enjoy a quiet and frankly privileged life whilst bulldozers run amok elsewhere. This will be an enduring and embedded problem. It looks like a major design defect.

*(5) Serious intent or kite flying?*

- 26 The proposals will be highly contentious. Whilst notions such as zoning have some intrinsic benefits, the resource issues of the scale of change that is proposed; the centralising tendency and disempowerment of local communities; the sheer pace of change that appears to be desired coupled

with an absence of information on a whole host critical matters (e.g. environmental assessment; public engagement and consultation; fit with Green Belt policy etc) is bound to be highly contentious in the Shires and subject to serious and sustained scrutiny. It seems unlikely to be built quickly. Indeed the alternatives that are mooted suggest the architects of the new system may be floating the new design with the object of making us buy significant but more incremental ad-hoc change with a sigh of relief that we do not have to buy the whole package.

- 27 By way of example, the White Paper proposals that growth and renewal areas could be combined and permission in principle extended to all land in those areas, based on uses and forms of development specified for sub-areas within them. In effect that is plan-making combined with LDOs to implement them. [2.11] There is no need for sweeping reforms to implement this kind of initiative. All the Government needs to do is encourage councils to designate growth areas in local plans and make LDOs alongside them. In the further alternative, the grant of planning permission in principle would be limited to growth areas, with policy determined locally (but having regard to the NPPF), and subject to the existing development management process.
- 28 Bluntly, the White Paper anticipates and invites a climb down. That doesn't mean the project is not a serious one. But in reality it may be another long term scheme of alterations rather than one of demolition and reconstruction. Provided whatever is done delivers more growth quickly the government will have achieved its primary goal, to some extent at least. It will also have opened Pandora's Box. Government may be happy to rest there.

## **Pillar Two: Planning for beautiful and sustainable places**

- 29 Pillar Two is about substance as well as process. What are the principal goals?
- (1) Net gain rather than no net harm;
  - (2) Net zero greenhouse gas emissions by 2050;
  - (3) The creation of durable, sustainable "beautiful places", which reflect local character and community preferences – a "more visual planning system, rooted in local preferences and character".
  - (4) Generally protecting and enhancing the environment;
  - (5) To encourage the adoption of modern methods of construction.



30 They are all sensible objects. However, the way they are to be achieved gives rise to a number of difficult issues.

### *The tension between pace, simplicity and localism*

31 The Government is in a hurry to make beautiful places. It has published a National Design Guide. It intends to publish a National Model Design Code and a revised Manual for Streets. They are intended to give way to local guides and codes. The Government recognises that will not happen overnight. In some places it may not happen at all; resources are recognised to be a significant constraint. The suggestion is that planning departments should be "re-focused", appoint a chief officer for design and use made of a "new expert body". That is all very well. But it is unlikely to be possible for parishes and neighbourhoods to produce guides and codes quickly and deliver coverage across the country. The risk is the gap will be filled by "National Code" compliant "anywhere place" development. Local character and preferences could be overwritten by top-down guidance and system built buildings, built on a standard template.

32 The risk that good design will be standardised and commodified is exacerbated by a proposal called "fast-track for beauty". This is intended to encourage compliance with "pre-established principles of what good design looks like". The use of pattern books and the development of "a limited set of form-based development" is envisaged, albeit focused on growth and renewal areas.

33 "Popular development" will be expedited. The object of "helping to relieve pressure on planning authorities" in the process, might be viewed as a means of getting them out of the way, whereas in the absence of local guides and codes their input might be thought vital. Fortunately, the Government concedes "The proposal will require some technical development and testing". That may be thought an understatement. It tends to reinforce the impression the White Paper does not presage the immediate repeal of the Planning Acts and their replacement with a comprehensive new statutory code.

### *The provisional character of measures for environmental protection*

34 The White Paper has nothing of substance to say about delivering the "net-zero commitment" by 2050; natural environment designations or built heritage assets. In the latter case there is a hint that restrictions will be eased

on “routine works”, especially when placed in the hands of “experienced architectural specialists”. How that will sit with notions of local choice and involvement remains to be seen.

- 35 The Government also signals that it intends to design “a quicker, simpler framework for assessing environmental impacts and enhancement opportunities”. However, save for indicating the system needs to be quicker, simpler and digitised there is simply no flesh on the bones.

### **Pillar Three: Planning for infrastructure and connected places**

- 36 The approach is to consolidate the Community Infrastructure Levy and section 106 agreements and capture more land value, to secure more funding at a national level for infrastructure, by a process which is mandatory rather than discretionary. The White Paper is quite explicit about Government’s intent to exert control over land value capture: para 4.17 speaks to the desire of Government to exert strong levers over levels of land value capture.

#### *The drivers for change*

- 37 The Government considers section 106 agreements are opaque; frequently unreliable as a means of capturing development value because of their propensity to be renegotiated; and prone to introducing delay into the development process because they are negotiated.
- 38 On the other hand CIL is seen to have placed too much of a burden on developers because although it is more certain it is inflexible in the face of changing market conditions, and the requirement to pay it before a single home has been built impacts adversely on cashflow.
- 39 The complexity and delay occasioned by the negotiation of section 106 agreements, and the cashflow implications of CIL are also judged to have made it more difficult for smaller builders to penetrate the housing market. So, things have to change.

#### **The proposals**

- 40 The Government proposes to reform CIL to create:-

- (1) A new mandatory Infrastructure Levy (both CIL and s.106 agreements being discretionary. S.106 agreements would be abolished.
- (2) The IL charging rates would be set nationally at a single rate or area specific rates.
- (3) The IL charge would be collected and spent locally.
- (4) The IL charge would be based on the final value of a scheme.
- (5) The IL charge would be payable on occupation.
- (6) Councils could borrow against IL.
- (7) Changes of use might be captured by the new charge.
- (8) The IL will fund affordable housing, with "in kind provision" encouraged (calculated by the difference in the sale price to an RSL compared with market value)
- (9) Council's may be permitted to apply IL receipts to other service areas or to reduce council tax once infrastructure and affordable housing needs have been set.

### *Observations*

- 41 Despite its centralising tendency, and the lack of realism attaching to a set of national charging rates, the IL proposals are detailed and well thought through. They do address the most critical weaknesses of TCPA 1990 s.106 and CIL.
- 42 There are two obvious issues. The first is if "locally sensitive charging rates" are to be set by central government there is a risk they will still not be sensitive enough. Secondly, whilst in areas where land values are low no IL will be charged below a certain threshold, that means there will be no money for the provision of critical infrastructure either. In those places effective demand will therefore remain depressed. The answer would be to redistribute value from high value to low value areas. That might look too much like a development land tax to be palatable.
- 43 One of the alternatives mooted by the Government do not really address these issues. The first is to create the IL and abolish s.106 agreements, making the levy optional, set locally with a de minimis threshold. Uptake would probably be greater because of the inability to secure funding via section

106 agreements. But it would not tackle the inability to fund infrastructure in areas with low land values.

- 44 A further alternative is to capitalise the charge and tax landowners on increases in land value arising on the grant of planning permission.
- 45 Finally, the notion of using IL to fund spending which has nothing to do with planning is an interesting indication of Government's thinking on ways to reform the funding of local government more generally. That might be a good idea in high value growth and renewal areas. It certainly ought to encourage growth per se. However, more deprived and protected areas will not benefit to the same extent. So it is not a silver bullet, at least not without a redistribution mechanism; and query whether a redistribution mechanism might chill the enthusiasm for growth in areas which might otherwise be prepared to stomach it.

### Concluding comments

- 46 The White Paper's proposals will certainly stimulate growth. They should also capture more development value to fund the infrastructure to deliver that growth. The centralising tendency demonstrated in relation to matters such as housing numbers and distribution, design and the application of the IL, combined with steps to simplify and speed up policy making and decision making, and penalise slow and poor decision making, demonstrates a real determination to ensure more growth occurs more uniformly, and that the need for market and affordable housing is met.
- 47 However, the failure to address the distorting effects of Green Belt and to explain how cross-authority issues are to be addressed in the absence of a duty to cooperate evinces an unwillingness to grapple with some of the fundamental constraints on achieving balanced and sustainable growth, although to be fair it might be retorted those are issues created as much by policy as the existing legislative code.
- 48 A more serious charge is, perhaps, than in its dash for growth the Government has failed to think carefully or seriously enough about ensuring the impact of development on the environment is adequately assessed and addressed. To some extent that charge might be rebuffed by the rejoinder that the Environment Bill is intended to look after the environment. That is true. But it will not manage the impact of individual schemes and local plans adequately if the current system of environmental assessment is abolished and replaced by "EIA light". In a similar vein, the Government's proposals for

better design appear equally concerned with speeding up development to achieve some level of uniformity, which is unlikely to be excellence.

- 49 In any event, whatever may be thought of the proposals, the underlying purpose of most (with the exception of those relating to IL) could probably be achieved by existing legislative mechanisms, revisions to subordinate legislation, notably the Local Plans Regulations of 2012, and a tightening of the NPPF and the PPG. That may be what the Government really has in mind. The more radical proposals may just be intended to soften up the opposition from those who would prefer to maintain the status quo. For example, housing numbers could be dictated nationally. That done, growth areas could easily be run alongside an accelerated and simplified local plan process by adjusting the 2012 Regulations (speed and simplicity) and by altering the NPPF and PPG to require growth areas to be defined and delivered in parallel with local plans using LDO or NDOs. So, it may be that the bulldozers will be left parked in the Government's compound, at least for now, if only to give it time to have the plans for a new planning edifice drawn up properly. Then, if the house continues to leak, we should expect the contractors to be brought in.

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