Planning White Paper

London Forum Response (draft 29th October 2020)

Introduction

The London Forum of Amenity and Civic Societies is the umbrella organisation for the civic movement across London. Our membership comprises some 120 civic societies and residents' associations across the Capital, as here, with a total membership of some 100,000 households. In preparing this response, we have conducted a webinar for those societies with a member of the Government's Planning White Paper taskforce, a survey of our members of whom 55 responded, and two lengthy joint meetings of our Executive Committee and Planning, Environment & Transport Committee.

Our overall response is summarised below. This is followed by a brief statement in response to each of the proposals set out in the White Paper, and a more detailed response to the specific questions posed in the document.

Factors specific to London

London is only mentioned once in the White Paper, in connection with the Mayoral Community Infrastructure Levy. However, from a planning perspective the city has a number of unique characteristics that have influenced London Forum's consultation response.

- London has had a strategic planning authority, the Mayor and GLA, for the past 20 years. Boroughs are used to interacting with the Mayor on housing targets based on need and assessed capacity, and to constructing Local Plans to be in general conformity with London-wide planning and development management policies in the London Plan.
- 2. The city has a huge number of unbuilt residential planning consents, ca 300,000 according to the latest estimates, far greater than the total number of homes built in London over the past decade.
- 3. London's housing market is unique, appealing to a worldwide investor community. In inner London (and probably much of outer London) it is highly

unlikely that any of the methods detailed in the White Paper to increase the rate of house-building will improve affordability. For many Londoners in low-paid occupations, social renting and other low-cost rent homes provide their only chance of decent housing and it is essential they are not driven out of the capital by cost of accommodation.

- 4. London finds it extremely challenging to build in excess of 50,000 homes per annum. The Mayor's target in the draft New London Plan was originally 66,000 annually. That was reduced by the Inspectors of that plan to 52,000 because they did not accept that the numbers for housing delivery on small sites could be achieved.
- 5. Large brownfield sites for growth within London are already baked into that number as Opportunity Areas. Greenfield sites within London's built boundaries are almost non-existent without the loss of critical public green space which could never be replaced. "Gentle densification" of suburbs is an opportunity, and may provide some headroom, but the need to carry communities along will impact on timescales.
- 6. Many of London's green spaces are designated as Metropolitan Open Land, which is afforded the same protection against development as the Metropolitan Green Belt. This protection must be retained.

Summary of our Response

In his introduction to the White Paper "Planning for the Future", the Prime Minister asserts that "thanks to our planning system, we have nowhere near enough homes in the right places", and that the time has come to "tear it down and start again". The White Paper presents some radical new ideas, but these are mostly at an early stage of development and fall well short of a coherent system that is capable of imminent deployment.

It is common ground that the current planning system has its shortcomings. However, the White Paper offers scant evidence either to support the Prime Minister's assertion that it is principally to blame for the failure to meet housing targets, or to show that the Government's proposals will bring about a significant improvement.

The London Forum and our member societies support the goals set out in the White Paper. We would all like to see more up-to-date and easily understandable Local Plans, greater certainty of outcomes (for residents, as well as developers), markedly better design, more engaged communities, better use of software – and, above all, more homes built of the right types in the right places.

The question for London Forum and our member societies is whether the Government's proposals will deliver these benefits, particularly in London. In summary, our conclusions are as follows:

- We welcome the proposals for earlier and more intensive community participation in deciding what should be built where. This will reduce the chances of schemes coming forward that are unacceptable to local communities, but the right to see, and to comment on planning applications should be retained.
- London has already moved part way towards the classification of land as growth/renewal/protection through the designation of Opportunity Areas, and through site allocations in many boroughs' Local Plans. It is unclear whether the White Paper proposals will bring any further benefits. Current protections for Metropolitan Open Land must be retained.
- The White Paper proposes that the Local Plan process should focus primarily on identifying land for development, and on specifying what can be built on that land. We agree that the current process is overly burdensome and time-consuming and could be slimmed down. However land-use designations and site allocations are the end of a process that must start with a vision for the locality and a set of strategies to deliver that vision, and for which an appropriate evidence base is necessary.
- "One-size-fits-all" policies, developed centrally and applied nationwide, cannot work across all areas and all aspects of development management. There must be scope for local policies where circumstances dictate. The role of London Plan policies will need clarification.
- We welcome the greater emphasis on good design. However, the White Paper proposals will impose a considerable burden on Local Authority resources and on the community, particularly in the preparation of design codes for all designated sites and we are concerned that the scale of the task may not be fully appreciated.
- Notwithstanding the previous point, it appears that developers will still be able to submit non-compliant applications for designated sites, and have them judged against national development management policies. This violates a fundamental principle of "zoning" systems, and could lead to widespread disillusionment in the community. Furthermore, a Planning Bill should incorporate a third party or community right of appeal in the event of consent being granted for non-compliant applications.

- In a similar vein, what happens if housing targets are not being met? Will the presumption in favour of development in Growth and Renewal areas lead to design codes or other constraints on development being overridden?
- The new Standard Method for setting housing targets is wholly inappropriate for London, based as it is on the assumption that building more homes in areas of poor affordability will lower prices in those areas. Nor does it address housing mix, a particularly acute problem in London where more homes are desperately needed for social and low-cost rent. It focuses almost entirely on private housing.
- The huge number of unbuilt consents is an important factor in London's housing shortage. Support for small builders is unlikely to be a solution in London where a 50-home scheme is typically a £50-100m project. We urge the Government to implement the recommendations of the 2018 Letwin Report.
- We support the White Paper's proposals for enhanced use of technology in the planning process, but counsel against over-optimism, especially on timescales.
- We are not convinced of the merits of the proposed Infrastructure Levy to replace CIL and S106 obligations. Deferring payment until completion will expose Local Authorities to risks they are ill-equipped to bear, and defer and most likely reduce the delivery of affordable homes and infrastructure which were part of benefits that justified the planning consent. The proposed concessions on infrastructure payment by small builders and suppliers of First Homes would make some development unsustainable (as defined in the NPPF). A nationally set tariff would be unsuitable in large cities with significant land values in various locations.
- The lack of comment on the use of compulsory purchase is surprising.
- The White Paper barely addresses the realities of a post-Covid world and one on the edge of a climate emergency.

London Forum questions whether this is the right time to turn the planning system on its head, especially as most of the benefits could be achieved without doing so. However if the Government is determined to press ahead, then the next stage should be "proof of principle" rather than nationwide implementation.

Pilot projects in a small number of Local Planning Authorities could be launched at short notice, and properly resourced and monitored to give them the greatest chance of success and a sound basis for national roll-out. The suggestion by the Secretary of State in an interview with the former Chief Planner, Steve Quartermain, that the Government would conduct pilots with some local authorities is welcomed.

If the proposals are rolled out as they currently stand, the most likely consequences are the loss of what little public trust in the planning system remains, a large political backlash, and a continuing failure to provide the right homes in the right places.

London Forum's detailed responses are in each section below of the consultation paper.

Pillar One - Planning for development

Preliminary Questions

1. What three words do you associate most with the planning system in England?

Vital - Professional - Under-resourced

Also, insufficiently responsive to communities

2. Do you get involved with planning decisions in your local area?

Yes. Our members (over 120 community groups and civic societies across London, with approximately 100,000 underlying individual members) make extensive efforts on a voluntary basis to enhance and improve London for everyone by being engaged in local plan making, review of planning applications and participation in decision making processes. London Forum and its members have been actively involved with successive versions of the London Plan and contribute to MHCLG consultations and to some inquiries of development proposals called in by the Secretary of State.

2(a). If no, why not?

Not applicable.

3. Our proposals will make it much easier to access plans and contribute your views to planning decisions. How would you like to find out about plans and planning proposals in the future?

London Forum does not agree with the assumption in the first sentence of question 3. The proposals in the White Paper would eliminate most of the opportunities for people to contribute views on planning decisions.

Notifications of changes to Local Plans, new planning applications and intended decisions must be available at least by email to those who subscribe and organisations that are on a list appended to the local Statement of Community Involvement. These should also be placed on the Council website and listed in public libraries, so that those who wish to be aware of announcements can be.

More information is needed to be able to decide if in fact this will make it easier with some worked examples for the plan-based system. What is key for notification to the broader community is that it is timely and easy to understand. If the emphasis is moving to the front end of the process, i.e. preparation of the Local Plan, then support will be needed to allow useful input. Technology is only as good as the information that is put in - and if that information is of a technical nature, it will need to be crystal clear and will need explanation. It is in fact quite difficult to distil a proposed development down to a few simple diagrams demonstrating compliance with all the various policies which is why at the moment we end up with large numbers of drawings and comments.

4. What are your top three priorities for planning in your local area?

- to protect and enhance existing places, including high streets and local centres, publicly-accessible green spaces and historic assets
- to provide plentiful truly affordable housing
- to maintain/create walkable communities with easy access to people's day-to-day needs, jobs and other opportunities;

A NEW APPROACH TO PLAN-MAKING

Proposal 1: The role of land use plans should be simplified. We propose that Local Plans should identify three types of land – Growth areas suitable for substantial development, Renewal areas suitable for development, and areas that are Protected.

London Forum considers that Proposal 1 would enable local authorities to take a fresh look at their land use and to give more certainty to developers and their communities on what should be permitted in various locations and what changes would not be allowed.

That will be effective only if the Local Plans have Site Allocations within the Growth, Renewal and Protected Areas to define design codes, requirements and restrictions effectively. That will require considerable skill and resources that local authorities may not have now.

Local Plans should not be simplified to the point where general policies are removed. There are many subjects needing to be covered by local policies which apply to <u>any</u> area, not just within particular Growth, Renewal and Protected ones. The use of such general policies would avoid repeating them for each of the proposed three types of land. London Forum explains the topics need to be covered in our response to Q5.

The absence of such local policies could lead to the wrong decisions on applications or more appeals against refusals that may not be based on good grounds.

The Protection Areas must include Metropolitan Open Land, as it is the local 'Green Belt' for many Londoners and meets their needs for open space.

London Forum does not think that having only Growth Areas would give the fine grain regeneration and asset protection that is required. Combining Growth and Renewal Areas should not be an option either because the consent processes require different application, as in our comment in Q5.

Proposal 2: Development management policies established at national scale and an altered role for Local Plans.

London Forum does not support the White Paper's proposal that "We will set out general development management policies nationally, with a more focused role for Local Plans in identifying site and area-specific requirements." Local policies will continue to be essential because NPPF policies could not cater for the variations across London, let alone across England, as in our response to Q5.

The alternative envisaged by the White Paper – local authorities setting precise zonal design rules for matters such as basements for every plot in their entire area, taking account of differing spillover effects depending on nearby buildings and other factors – will be completely impossible in the time envisaged by the White Paper for the preparation of Local Plans.

The removal of the Duty to Cooperate without any replacement is also of concern. London Forum expects to see strategic planning encouraged across local authority

boundaries, both within London and with local authorities outside London. The Government's proposals for dealing with that will be important.

There is wide support for the Government's commitment to "best-in-class" community engagement in the preparation of Local Plans, and in the construction of design codes and descriptions of requirements and limitations that will be in the "text" for designated sites.

However there is no guarantee that what gets designed (with community support) will be what gets built. What happens when the scheme proposed is not compliant with the design codes and specifications? In a strict zoning system, such a proposal will either be rejected out of hand or require community approval. As proposed in the White Paper, such applications are to be decided by the local authority in accordance with national development management guidelines and other policies in the NPPF, which will necessarily be quite general since they are intended to be applied from rural Norfolk to Barking Riverside and Westminster. This completely undermines the well-intentioned community participation at the front end of the process and reduces any motivation for communities to participate at all, which will inevitably increase the political backlash.

5. Do you agree that Local Plans should be simplified in line with our proposals?

No. We would support improvements in the Local Plan process, but think Proposal 1 requires substantial further work before adoption.

London Forum agrees that three uses of land and site designations could give more understanding of development requirements but only if the Local Plans are of a high standard with definitions of requirements, restrictions and design codes for sites as well as areas. Also, there must be local policies for matters that cannot be covered in general policies in a new NPPF (unless they are supplied already for the local authorities in the Capital by the London Plan).

The New London Plan, when implemented, contains forty eight Opportunity Areas with policy frameworks prepared, some involving more than one borough and for which local authorities will produce masterplans. Almost all of these Opportunity Areas have Supplementary Planning Documents, which are not subject to scrutiny or examination in public. There is a major democratic deficit here.

There is similar danger with the proposed Growth Areas, but examination in public as currently conceived is poorly designed to deal with site-based designations.

Growth Areas are often embedded in complex and sometimes historic settings.

Metropolitan Open Land should be included in Protected areas in Government policy, not only the Green Belt and other special or flood risk areas described in the White Paper paragraph 2.8.

Proposal 1 offers options and London Forum does not think the first one, that Growth and Renewal Areas should be combined, should be implemented. That is due to the different ways they will each need to be planned and because 'permission in principle' would be unsuitable for many areas of Renewal. Growth Areas often include brownfield land whereas Renewal Areas can cover housing estates and district town centres, each requiring different approaches to regeneration and the types of housing provision.

The second option of having only Growth Areas might be attractive for continuing engagement of communities and their elected Councillors in decision making on planning applications outside of Growth Areas. However, it may <u>not</u> result in clear definition by local authorities in their new Local Plan of their specific requirements, design codes, restrictions and standards for the type of development that should be sought in those places due for Renewal and those where clear Protection should apply.

Local Plans should have statements and policies based on a vision and strategy for the future of the whole local authority in order to be "more ambitious for the places we create", as in the White Paper paragraph 1.12. Local policies will be needed to guide the achievement of the planning authority's vision and strategy. That would accord with the Planning White Paper's proposal in paragraph 1.16 that "Local Plans should set clear rules."

We agree with paragraph 1.6 of the White Paper that Local Plans should correct the fact that, in some cases, the "vision has been buried under layers of legislation and case law. We need to rediscover it."

Local, spatially-specific policies must continue to play a role. It would be catastrophic to lose the granularity of policies found in Local Plans now for subjects that require local definition. If that happened, Proposals 1 and 2 would not give the intended outcomes due to a lack of full specification of development criteria locally.

Local Plans must contain strategic policies for the four topics as required by paragraph 20 of the 2019 NPPF. In addition, Local Plans should contain policies that are specific to the local authority's location and its characteristics as required by NPPF paragraph 28.

London Forum supports the proposal in White Paper paragraph 3.26 on "the role that local, spatially-specific policies can continue to play, such as in identifying important

views, opportunities to improve public access or places where renewable energy or woodland and forestry creation could be accommodated.".

Also, we agree with White Paper Proposal 17, paragraph 3.29, which requires Local Plans to "clearly identify the location of internationally, nationally and locally-designated heritage assets, such as World Heritage Sites and conservation areas, as well locally important features such as protected views."

Strategic and local policies will give applicants more "certainty about what can be developed" as in White Paper paragraph 2.5, so London Forum supports strongly the requirements of the current NPPF and of the White Paper for <u>local</u> policies to be in Local Plans as above.

Local Plan general policies may be required to cover subjects such as

- the building of new basements,
- setback policies,
- location of telecommunications equipment,
- avoidance of harm to view management corridors, local views and specific heritage assets,
- open space management and development,
- local Manual for Streets variants,
- construction management rules including traffic, noise and dust,
- Opportunity Area management in London,
- the impact of proposed development on the levels of daylight reaching surrounding buildings,
- parking policies and
- local and cross boundary transport and infrastructure development.

In addition to the above, paragraph 2.10 of the White Paper proposes that "In Growth and Renewal areas, the key and accompanying text would set out suitable development uses, as well as limitations on height and/or density as relevant."

White Paper paragraph 2.1 refers to the zoning planning system in Japan. That uses twelve flexible zones each of which has layers for uses and intensity. It has a chart of the control of building use and type by those twelve land use zones. That gives areas where developments of eighteen types 'can be built' and where they 'usually cannot be built'. It includes a range of heights and of permitted floor space.

Even in the proposed new planning system with three types of area and sites, some such local detail, as in Japan, should be in Local Plans to clarify requirements and limitations.

They cannot all be covered by design codes locally nor by having general policies only in a new NPPF which could not cover the subjects above in a way suitable for each location in England.

We agree with White Paper paragraph 2.16 that "policies which duplicate the National Planning Policy Framework would not be allowed."

The White Paper makes no mention of the New London Plan which has been with the Secretary of State for many months. In our view, the London Plan is an important component of the planning jigsaw, one which enables boroughs to prepare their Local Plans in the knowledge that cross-boundary matters such as policies for Opportunity (growth) Areas with planning frameworks and other general policies for Good Growth, the use of design codes, suburban densification, protection and use London-wide of industrial land, strengthening the town centre hierarchy, workspace policies, etc are contained in it and do not need to be repeated in Local Plans.

Local authority planning in the Capital would be consistent and well-based if built on the spatial development strategy and policies of the New London Plan which are more up to date than the current 2016 version.

6. Do you agree with our proposals for streamlining the development management content of Local Plans, and setting out general development management policies nationally?

No, as in our comments on Proposal 2. We do not see how it can be workable for national Government alone to set the policies applicable to determining applications not consistent with the design codes or other specifications in the Local Plan. Inevitably that will lead to results that are too restrictive in some areas and too lax in others, depending upon the context, the willingness of residents to accept different types of change, the existing local infrastructure, and other matters.

National development management guidelines and other policies in the NPPF will necessarily be quite general since they are intended to be applied from rural Norfolk to Barking Riverside and Westminster.

Precise NPPF policies on local matters may adversely affect development viability or result in harm to local character and historic assets.

A nationally-set policy on detailed local matters would either be so restrictive as to damage viability or so loose as to cause substantial damage to heritage assets and other amenity, causing an enormous backlash.

NPPF policies could not cover all the local matters described in our response to Q5 for their variants in every part of England.

The removal of the Duty to Cooperate is also of concern. There must be planning coordination across local authority boundaries for housing and infrastructure provision and for the impact of new developments.

Creating local plans and design codes for all sites will be a lengthy and time-consuming task – for the local community as well as the local authority.

As a result of that, many sites will be subject to planning applications before applicable design codes and definitions of what developments should deliver are created, either with outline planning consent or a presumption in favour of development. Again, it appears that these are to be determined through the application of national development management policies.

That is unacceptable and should not occur whilst new Local Plans are being prepared..

The White Paper's professed intention to improve the involvement of local communities is unlikely to be successful when both local authorities and Inspectors will retain the power to approve developments that conflict with the agreed Plan, and when developments inconsistent with the Local Plan can still be approved under nationally set policies. In a true zonal system, developments that conflict with the Local Plan are illegal, and third parties generally have a right to bring an action to enforce. Appeals of decisions would not be allowed.

For that reason, London Forum supports the second option offered in Proposal 2 for local authorities to set development management policies, as under the current Local Plans system.

The "exceptional circumstances" in the first option might be too high a test, given the range of subjects that local planning authorities will need to cover, as we have demonstrated in our response to Q5.

The White Paper's proposals bring more certainty to developers but less certainty to communities, who will probably lose even more motivation to participate. Their engagement is likely to suffer as a result.

Proposal 3: Local Plans should be subject to a single statutory "sustainable development" test, replacing the existing tests of soundness.

It is not clear how the "sustainable development" test would work and how effective the new environmental assessment process will be, nor any equalities impact assessments.

The testing process for Local Plans will have to be clarified by the Government but London Forum strongly supports the requirements in the NPPF paragraph 8, namely the pursuit of three over-arching and interdependent objectives - economic, social and environmental.

7(a). Do you agree with our proposals to replace existing legal and policy tests for Local Plans with a consolidated test of "sustainable development", which would include consideration of environmental impact?

No. The test of whether or not a Local Plan is sound should remain.

Both environmental and equalities impact assessments should be conducted and evaluated, but the evidence base requirements should be less demanding in plan examination to shorten the current Local Plan timescales.

A test of "sustainable development" that might be developed by MHCLG cannot yet be commented upon but it is assumed that the three objectives in paragraph 8 of the 2019 NPPF for economic, social and environmental objectives will be developed, consulted upon and applied for a description of sustainable development.

Proposal 3 offers the alternatives that "Rather than removing the existing tests of soundness, an alternative option could be to reform them in order to make it easier for a suitable strategy to be found sound. For example, the tests could become less prescriptive about the need to demonstrate deliverability. Rather than demonstrating deliverability, local authorities could be required to identify a stock of reserve sites which could come forward for development if needed."

London Forum supports that and proposes that if a local authority can prove that there is no stock of reserved sites, those conducting the examination of the Local Plan should

propose how any shortfall will be addressed in the area and the Local Plan should be approved to speed the process of approval and adoption.

7(b). How could strategic, cross-boundary issues be best planned for in the absence of a formal Duty to Cooperate?

The Duty to Cooperate, in some form, should be retained so that plans, policies, actions, decisions or problems arising in a local authority should be notified to any adjacent ones affected.

At its simplest that would enable consistency of signage, street lighting and public realm design and management where local authority boundaries divide conservation areas or even town centres, as the A5 road does for boroughs in London.

At a more complex level, growth areas can cross local authority boundaries and the implications for development of the necessary public transport, social infrastructure, road networks and the protection of historic assets and protected and listed views must be coordinated by local authorities by mutual agreement in Statements of Common Ground and by planning policies in their Local Plans.

Those objectives will need to be met by any alternative to the Duty to Cooperate that the Government devises.

The London Plan provides some of the guidance and policies for cooperation between boroughs in its coverage of Opportunity Areas, industrial land, outer London development centres, strategic and local views and the Views Management Framework, public transport, use of waterways, making the best use of land, creating a healthy city, managing the Central Activities Zone, managing a hierarchy of town centres, tall buildings and Gypsy and Traveler accommodation.

That is why the introduction of the New London Plan is important now whilst awaiting a replacement for the Duty to Cooperate if it is no longer to apply in its current form.

Proposal 4: A standard method for establishing housing requirement figures which ensures enough land is released in the areas where affordability is worst, to stop land supply being a barrier to enough homes being built. The housing requirement would factor in land constraints and opportunities to more effectively use land,

including through densification where appropriate, to ensure that the land is identified in the most appropriate areas and housing targets are met.

The application of the Standard method in London appears to be flawed for the reasons in London Forum's answer to Q8(a).

8(a). Do you agree that a standard method for establishing housing requirements (that takes into account constraints) should be introduced?

No. We do not think the proposal in its current form is workable. We would be happy to discuss a revised proposal with more clarity on how the constraints would operate.

Our members recognise that more homes must be built, and that each London borough must play its part. However, in London, housing numbers emerging from the top-down algorithm described in the White Paper could, under the current proposals, be achieved only by a national presumption overriding protection for green spaces and heritage assets, or through vastly more development in inappropriate locations, such as the wholesale demolition of low-density suburban housing and its replacement with high-rise towers.

According to the Lichfields application of the formula in London, <u>without</u> taking account of capacity restraints, some boroughs with high property values and limited land capacity would be required to increase their housing target up to six-fold in City of Westminster and over seven-fold in RB Kensington and Chelsea every year for the ten-year life of the Local Plan. This would be impossible without major compulsory purchase, demolition of listed buildings and homes in conservation areas, and building on all open space at an unacceptable height.

By contrast to the impossibly high, unrealistic figures arising from the Standard Method for parts of Central and Inner London, it would result in another local authority (LB Barking and Dagenham) in outer London, which has committed to significant growth opportunities and to high housing targets, being expected to have its housing target reduced by 25%.

That indicates the confusion the formula would cause and a failure to make the best use of available land for more homes.

We have yet to see any detail on how the Standard Method will take account of "the extent of land constraints in an area to ensure that the requirement figure takes into

account the practical limitations that some areas might face, including the presence of designated areas of environmental and heritage value, the Green Belt and flood risk." Metropolitan Open Land should also be protected as an essential part of the local social infrastructure.

If those constraints across the whole of London are applied, it would result in a figure much below 93,500 net additional units a year resulting from the Lichfield analysis and the Government would have to make clear how and where else its target for 300,000 new homes would be met. However, that would not reduce the need for homes to rent in London of 31,000 annually.

The main problem, however, is that the "housing requirement" of 93,500 units pa, is not "objectively-assessed need", but a figure generated to direct new housing to areas where house prices are highest, regardless of the authority's capacity to accommodate it. It ignores the type of housing needed which in London is not new homes for purchase, as few households could afford them. Our full comments on that were in London Forum's response to 'Changes to the Current Planning System' consultation, as here.

Our members are concerned that pressure on a single number – the number of housing units completed – will lead to a shortfall of housing suitable for low-income families currently enduring substandard accommodation for want of family homes for social rent or at low rental prices.

London's unmet housing backlog includes households that are overcrowded, concealed, or sharing, in both the private-rented and social sectors, plus a subset of the number of homeless households.

The scale of change needed to make the "housing requirement" numbers realistically deliverable cannot be overcome by marginal changes to the formula - they will need to be rooted in the capacity of London boroughs to accommodate them. A substantial rethink is needed or the whole system, not just in London but nationwide, will fail.

London Forum welcomes the statement, as here, by the Secretary of State in an interview with Steve Quartermain that more work needs to be done on the housing needs formula and that the implementation of 'Planning for the Future' would be phased.

8(b). Do you agree that affordability and the extent of existing urban areas are appropriate indicators of the quantity of development to be accommodated?

No. Economists generally agree that the correct indicator for whether there is a good housing supply is the difference between the current price of homes and the cost of building more homes. In well-supplied markets, that difference is generally small.

The quality as well as quantity of development and how well it meets local needs for types of housing and jobs will be the basis of success or failure of the planning system.

In his interview with Steve Quartermain published in Planning Resource, the Secretary of State said that "The methodology is quite weighted to affordable homes".

London Forum does not think that is correct because the Standard Method for housing requirements and the proposals for First Homes seem to consider only the price of homes for purchase as a measure of affordability and not the ability of people to find a home to rent at an affordable rent. Any method for determining the required numbers and types of housing required must deliver truly affordable homes where they are needed. This is less likely to be by adding to the quantity of housing, but by altering the type, size and tenure. There is no "trickle down" effect.

The Capital's most recent Strategic Housing Market Assessment estimates that in London 65% of all new homes need to be affordable and most of those must be for social housing or low-cost rent, with 45% having two or more bedrooms. The need for 31,000 truly affordable homes annually does not reduce, despite the decision of the Inspectors of the New London Plan that restricted land availability on small sites in London required the reduction of its 65,000 target to 52,000.

The total backlog of unmet need for social rented homes in London was 163,000 in 2017. Between 2005/06 and 2017/18 only 12% of homes delivered in London were social rented, while 75% of homes delivered were private/market homes.

Paragraph 2.24 of the White Paper states that not enough land is being released where it is most needed and that is "reflected by worsening affordability". In London, **too much** land is being used for new market homes which according to research figures are affordable to only 8% of Londoners, as explained by the GLA to the Public Examination Panel of the draft New London Plan.

LPAs are desperate to retain land for building affordable homes to rent but are not able to do so on a sufficient scale.

We suggest an alternative approach should be devised which takes into account the need for affordable housing and the affordability of private rents. It would need to establish the "objectively-assessed need" for homes of the types required based on demographic factors (e.g. household formation and net migration), then translated into local housing "need".

The quality of any housing built is of key importance. Neighbourhoods need to be liveable and the homes built need to provide good space, both indoors and out, be safe and healthy.

A STREAMLINED DEVELOPMENT MANAGEMENT PROCESS WITH AUTOMATIC PLANNING PERMISSION FOR SCHEMES IN LINE WITH PLANS

Proposal 5: Areas identified as Growth areas (suitable for substantial development) would automatically be granted outline planning permission for the principle of development, while automatic approvals would also be available for pre-established development types in other areas suitable for building.

London Forum recommends that reserved matters should ensure conformity of an application with national and regional policies and the definition of design codes, development requirements and restrictions in the Local Plan for the site under consideration. Conditions that may have to be covered by a S.106 legal agreement should be included.

The scope of the "reserved matters" to be taken into account before decision making requires more explanation. The outcome must result in development being sustainable as in NPPF paragraphs 11, 12, 16, 23 and 38.

9(a). Do you agree that there should be automatic outline permission for areas for substantial development (Growth areas) with faster routes for detailed consent?

No. There should be automatic outline permission only if there are methods to ensure build out, as we suggest in response to question 14.

Also, grant of permission should be only when development applications conform to the design codes, and the requirements and restrictions specified in Local Plans for any area or site.

The proposals for development management are confusing. It is not as clear as it is stated in Proposal 5, which has several terms that are not explained.

Clarification is needed of the meaning of "pre-established development types in other areas suitable for building" and the words "streamlined and faster consent routes" in the White Paper's paragraph 2.31 and "a reformed reserved matters process" in paragraph 2.32.

Permission in principle and outline planning permission are used interchangeably in places as a consequence of land being allocated for growth. There would be complexities in provision for a "full" planning permission through a new reserved matters system (which requires more explanation) or local development orders (LDOs) or development consent orders. The time taken to finalise those matters could reduce the benefit of allocating land for growth for prompt decisions. That is contrary to Proposal 6 in the White Paper.

If a proposal which is different to the plan comes forward, as in the White Paper paragraph 2.34, London Forum would expect a full planning application and that it would be determined by a local planning authority in the same way that any application is processed now.

That appears to be what is intended by the words in paragraph 2.34 that "to improve certainty in the system, it will be important for everyone to have confidence that the **plan will be the basis for decisions**, and so we intend to strengthen the emphasis on a plan-led approach in legislation (alongside giving appropriate status to national planning policy for general development management matters)." London Forum supports that because the "plan-led approach" must start with the definitions in Local Plans. Planning consent should be granted only for applications that are compliant with land-use designations and design codes developed with community approval, and a community or third-party right of appeal should be available to challenge approvals of non-compliant applications. This applies to all land-use designations.

The Planning White Paper offers also several ways in which land allocated for renewal might gain consent but they make certainty for developers less likely.

Generally much more thought needs to go into the designation of areas. It is much too simplistic especially for a complex Capital City.

9(b). Do you agree with our proposals above for the consent arrangements for Renewal and Protected areas?

No. We cannot see how the proposals in their current form are likely to be workable. In particular, the proposed inability to set general development policies in Renewal and Protected Areas is likely to lead to highly unfortunate results. For example, the policies on construction management for a low-price, sparsely populated area should not be the same as for Westminster. A national construction management policy without scope for local variation will either render development in the former unviable, or cause near-riots in the latter. See our comments on the need for local policies in our response to Q5.

The same goes for general principles on development in conservation areas. Some areas are more accepting of enhancement than others. Those democratic preferences are implemented locally by the content of the relevant Conservation Area Management Plan and any Article 4 Directions applied. Setting a national policy may result in a flood of unpopular applications that will be approved on appeal, with the consequent backlash. Virtually all conservation areas are different and what is acceptable or even desirable in one may be damaging to another.

London Forum objects to the proposal in the White Paper paragraph 2.35 that applications in Protected Areas are to be "judged against policies set out in the National Planning Framework." That would defeat the Government's objective of local authorities planning for what development should take place locally based on their definition of controlled change and development. The NPPF policies are unlikely to determine properly whether or not an application for the way a social housing estate should be regenerated in specific areas of England, let alone individual London boroughs, nor whether a development in any town centre or conservation area meets locally-defined expectations and requirements.

Applications in Protected Areas should be assessed against local policies and, in London in relation to the London Plan policies, as well as the content of the NPPF.

That would be supported by the suggestion in White Paper paragraph 2.41 that "by ensuring greater certainty about the principle of development in Local Plans, we expect to see fewer appeals being considered by the Planning Inspectorate."

Even more critically, the White Paper does not specify what policies the presumption will override if housing targets are not met, as will inevitably happen at least once per

economic cycle. We presume that was in an attempt to avoid controversy, but the question must be faced. Will the presumption override protections for parks and Metropolitan Open Land, which would be a disaster? Will it override design codes or other similar rules, so that developments which the community and the local authority consider inappropriate will be imposed? Will it override some policies in protected areas? Will it override Green Belt protections? The questions must be faced and it is impossible to evaluate the White Paper as a whole without addressing them.

9(c). Do you think there is a case for allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime?

That is highly unlikely to happen in London.

Proposal 6: Decision-making should be faster and more certain, with firm deadlines, and make greater use of digital technology.

The assertion in White Paper paragraph 2.39 may be true in the long run, but will take some time to develop. It states that there will be "A new, more modular, software landscape to encourage digital innovation and provide access to underlying data. This will help automate routine processes, such as knowing whether new applications are within the rules, which will support faster and more certain decision-making".

Such automated elements of the decision-making process will need to be coupled with effective local authority planning department consideration of conformity of an application to defined requirements and restrictions and that no harm is caused to surrounding areas and heritage assets or overloading of social and transport infrastructure.

London Forum opposes the proposal in the White Paper paragraph 2.40 that "we also want to explore whether some types of applications should be deemed to have been granted planning permission if there has not been a timely determination, to ensure targets are met and local authorities keep to the time limit in the majority of cases."

There could be many reasons for delay in granting full approval and the applicant may agree with that or not yet have supplied information required or committed to legal agreements.

An application that does not allow a fast determination by a local authority should not be granted permission. Validation rules for applications need to be strictly applied so that local planning authorities are better able to meet any deadlines.

If an applicant decides to appeal against non-determination, the matter should be dealt with by the Planning Inspectorate, as now and as provided for in White Paper paragraph 2.41. The new process looks like it will encourage appeals against non-determination, which is the last thing that the Planning Inspectorate needs.

London Forum does not understand how software could propose whether or not an application meets all local authority defined requirements and policies for any site.

10. Do you agree with our proposals to make decision-making faster and more certain?

No. These proposals will not make decision-making faster and more certain, as in our response to earlier questions. It will give a safe harbour for developers, but communities will be laden with considerably more uncertainty as a result, and many developers will nonetheless attempt to bypass the Local Plan through the appeal system, calling upon nationally set policies.

Disenfranchising communities when proposals actually come forward is a recipe for conflict and may well produce even less housing in the long term, due to the backlash it will ultimately cause. The Local Government Association states that nine in ten applications are approved by councils, so community objections are not a problem.

Non-determination of an application in the specified timescale should <u>not</u> result in automatic approval, as the scheme could cause harm. In many cases the local authority could be awaiting responses by the applicant to queries raised.

All decisions must accord with the requirements in the NPPF for them to result in sustainable development.

A NEW INTERACTIVE, WEB-BASED MAP STANDARD FOR PLANNING DOCUMENTS

Proposal 7: Local Plans should be visual and map-based, standardised, based on the latest digital technology, and supported by a new template.

11. Do you agree with our proposals for accessible, web-based Local Plans?

Yes, but it will be necessary to ensure that any user of web-based Local Plans can both easily establish what policies are applicable to each site and also find where there are rules addressing each subject topic. The Local Plans must have good facilities for ease of searching for relevant policies and text and simple access to the new types of maps of local authority areas. PDF and other accessible versions must be available for those who are not comfortable with other technologies. Many of these facilities already exist.

The White Paper does not clearly explain what is meant by Local Plans being "supported by a new standard template" as in paragraph 1.16.

London Forum welcomes the statement for the production of Local Plans in PWP paragraph 2.46 that "We will set up a series of pilots to work with local authorities and tech companies (the emerging 'PropTech' sector) to develop innovative solutions to support plan-making activities and make community involvement more accessible and engaging."

A STREAMLINED, MORE ENGAGING PLAN-MAKING PROCESS

Proposal 8: Local authorities and the Planning Inspectorate will be required through legislation to meet a statutory timetable for key stages of the process, and we will consider what sanctions there would be for those who fail to do so.

London Forum's comments on the stages proposed for Local Plan preparation are given in our answer to Q12.

The White Paper refers (critically) in paragraph 2.3 to "vast swathes of evidence base documents" underpinning Local Plans, but it needs to be understood that some evidence will need to be prepared in the proposed new planning system for the requirements to analyse context, character, typology, the scale of objectively-assessed need for different land uses, etc. as required by the Government's guide to plan making and by the NPPF in paragraphs 31 and 32 for what evidence is required for a Local Plan. However, London Forum suggests that the evidence base required for a Local Plan examination should be reduced for speed of approval and adoption to reduce the time taken by the process.

12. Do you agree with our proposals for a 30 month statutory timescale for the production of Local Plans?

No. The proposed timescale is too short and, coupled with the new accelerated processes for approval, will result in large numbers of sites where there has been inadequate time or resources to develop a design code and other rules that will ensure high quality and no damage to amenity.

The rush to write plans will result in perfunctory design codes that do not achieve the objectives of the White Paper, and cause swathes of unpopular and badly-designed development that will result in a backlash. The quality and amount of community engagement will also be critical.

Some of the terminology, such as "best in class", does not engender confidence. The history of planning reform is filled with over-promises on that score.

London Forum supports the five stages described but suggests that context and character analyses (as proposed in the White Paper paragraph 3.4) and identification of areas with restrictions should be published before Stage 1 commences and developed further in Stage 2.

In Stage 4 the right to be "heard" by all those who submitted comments in Stage 3 should <u>not</u> be at the discretion of the Inspector but should be guaranteed.

London Forum does not support the alternative in paragraph 2.54 of removing the Examination stage entirely and requiring Local Planning Authorities to undertake a process of self-assessment against set criteria and guidance. That would be likely to result in varied standards and possible disillusionment of local communities whose full engagement is one of the main aims in 'Planning for the Future'.

Proposal 9: Neighbourhood Plans should be retained as an important means of community input, and we will support communities to make better use of digital tools.

13(a). Do you agree that Neighbourhood Plans should be retained in the reformed planning system?

Yes. Although Neighbourhood Plans have not been helpful in a range of areas, in many places they have been highly successful and it would be deeply unpopular and counterproductive to remove them. In particular, neighbourhood plans could help to relieve local planning authorities of some of the burden of creating design codes by defining specific requirements for development and asset protection. However, there is a need to get their contribution into perspective. Large areas of London have no neighbourhood plans. There can be no suggestion that neighbourhood plans, rather than Local Plans, might fill all the local detail that is not in national development management policies.

13(b). How can the neighbourhood planning process be developed to meet our objectives, such as in the use of digital tools and reflecting community preferences about design?

Neighbourhood plans should be streamlined by removal of the requirement for an extensive evidence base. Neighbourhood plans should retain their present power to set design codes. They should also retain powers to set policies requiring section 106 agreements for conditions or mitigation actions, or else an important local tool to ensure that spillover effects are addressed will be lost.

We would welcome trials of a simpler process to allow local communities to assist with the setting of design codes in a granular manner, at smaller scales.

To truly engage the public in this will require considerable effort and expertise and a genuine will to do this. Sessions such as Planning for Real can be very rewarding if run well. The expertise does not exist currently in the Local Authority system to be able to do this. Digital tools can be an aid to this but will not replace face to face workshops and events for proper community engagement.

Neighbourhood CIL should be retained as it provides investment in infrastructure determined by local community priorities.

SPEEDING UP THE DELIVERY OF DEVELOPMENT

Proposal 10: A stronger emphasis on build out through planning

14. Do you agree there should be a stronger emphasis on the build out of developments? And if so, what further measures would you support?

Yes. London Forum does not think that faster build-out can be achieved by making provision in Local Plans for a variety of development types by different builders, as the consultation paper proposes in paragraph 2.59. This is because land prices and building costs in London are such that even quite modest sized developments require resources that are beyond the reach of smaller builders.

London Forum suggests giving local authorities powers, a specific number of years after a site has been allocated, to impose a tax upon the land value of the site. The value could be assessed by the landowner, in the knowledge that if the value is too low the local planning authority will have the power to compulsorily purchase at that value.

Another option might be to remove consents that are not implemented, even those where "a material start" (but without further progress) has been made to give the consent an indefinite life, so making it a secure investment to hold on the company's books, rather than a declining asset.

The problem of slow build-out rates is acknowledged and due consideration must be given to the backlog of unimplemented consents, which are around 300,000 homes in London, of which over 100,000 units are locked up in unimplemented consents for tall buildings. (Tall Buildings Survey 2020). Despite the passage of two years since publication of the Letwin Report on build-out rates, no measures are proposed in the Planning White Paper to deal with the problem. The Planning Bill should reflect the Government's response to each recommendation in the Letwin report.

Pillar Two – Planning for beautiful and sustainable places OVERVIEW

London Forum supports the aim in the White Paper paragraph 3.1 for "the creation of beautiful places that will stand the test of time, protect and enhance our precious environment, and support our efforts to combat climate change and bring greenhouse gas emissions to net-zero by 2050. Ditto paragraph 3.2 "...fostering... not just beautiful buildings, but the gardens, parks and other green spaces in between, as well as the facilities which are essential for building a real sense of community".

15. What do you think about the design of new development that has happened recently in your area?

Some development has been of good quality but much development has been poorly designed, with inadequate provision for new infrastructure and inadequate mitigation of adverse effects on the local community and the quality of places.

The objective that a "range of homes can be provided to meet the needs of present and future generations" as required by the NPPF has not been achieved in London where homes for low-cost rent are the priority, and this White Paper will make its achievement less likely.

16. Sustainability is at the heart of our proposals. What is your priority for sustainability in your area?

A more environmentally-friendly city with walkable access to facilities required that safely accommodates pedestrians and separates cyclists from pedestrians and other road users, while preserving the paramount importance of congestion-free routes for buses, with more green and open spaces and more trees.

Developments should meet all the objectives for sustainability in NPPF 2019 paragraph 8 and should take local circumstances into account, to reflect the character, needs and opportunities of each area, as in NPPF paragraph 9.

Sustainability will need to go much further than currently understood. If we are to achieve carbon neutral in London any time soon then a radical rethink is needed.

CREATING FRAMEWORKS FOR QUALITY

Proposal 11: To make design expectations more visual and predictable, we will expect design guidance and codes to be prepared locally with community involvement, and ensure that codes are more binding on decisions about development.

We look forward to the proposed Government response "in the Autumn" to the report of the Building Better, Building Beautiful Commission, as in White Paper paragraph 3.3.

17. Do you agree with our proposals for improving the production and use of design guides and codes?

In principle, yes. London Forum welcomes a stronger emphasis on design guides and codes and supports the National Design Guide, published in October last year, for its ten characteristics of successful places and the ingredients which can deliver these. It will assist in defining design codes but more guidance on how those should be devised and what should be in codes and what in "text" for areas and sites would be useful.

However, the production of detailed design codes capable of ensuring high-quality development without additional local policies on development is a mammoth undertaking. It will require vastly more resources, skills and time than envisaged in the White Paper, together with greater incentive for communities to participate.

Furthermore, the White Paper appears to offer developers the opportunity to circumvent the design guides and codes either by submitting non-compliant planning applications for assessment against national development management policies, or, when housing targets are breached, by asserting that the local plan should be overridden. This would cause widespread disillusionment and hostility towards the new system.

London Forum supports Proposal 11 for seeking to "ensure that codes are more binding on decisions about development."

Proposal 12: To support the transition to a planning system which is more visual and rooted in local preferences and character, we will set up a body to support the delivery of provably locally-popular design codes, and propose that each authority should have a chief officer for design and place-making.

18. Do you agree that we should establish a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making?

Yes, although it must be well resourced and even so will barely scratch the surface of what is required to make these proposals workable. Where are the skills going to come from? The country has too few professionals with experience in design codes to create the number of codes required at the speed the White Paper contemplates. How are the costs of skilled people on design and for Design Review Panels in local authorities going to be funded?

London Forum does not accept as correct that "streamlining plan-making will allow some re-focusing of professional skills" in local planning departments, as in the White Paper paragraph 3.12. Urban design and conservation officers have declined in number over the last ten years as Historic England has demonstrated. See 'resource' in https://historicengland.org.uk/content/heritage-counts/pub/2017/hc2017-conservation-areas-pdf/

Proposal 13: To further embed national leadership on delivering better places, we will consider how Homes England's strategic objectives can give greater emphasis to delivering beautiful places.

London Forum supports the Building Better, Building Beautiful Commission's recommendations on this subject.

19. Do you agree with our proposal to consider how design might be given greater emphasis in the strategic objectives for Homes England?

Yes. London Forum is pleased that Homes England's responsibilities cover bringing empty homes back into use as affordable housing and increasing the supply of public land and speeding up the rate that it can be built on. We would like to see those actions applied effectively in London and design considerations given emphasis for the quality and space standards of affordable homes.

We await clarification of the role of Homes England or the way in which the Government will assist the GLA to deliver the required number of homes in the capital for low cost rent that are required which in 2017 was 31,000 new homes annually.

A fast-track for beauty

Proposal 14: We intend to introduce a fast-track for beauty through changes to national policy and legislation, to incentivise and accelerate high quality development which reflects local character and preferences.

20. Do you agree with our proposals for implementing a fast-track for beauty?

No. London Forum does not support the proposal in paragraph 1.18 to make "changes to national policy and legislation, to automatically permit proposals for high quality developments where they reflect local character and preferences."

The words "high quality" and "beauty" are subjective and not a basis for planning decisions.

<u>All</u> applications must be considered for whether or not they meet the requirements, conditions and design codes specified for their site and area.

We note that a 'fast track' to beauty is possible under the existing system through a Local Development Order approving specific elevations and other detailed aspects, though few Local Authorities have taken advantage of this.

We are not opposed in principle to a clearer and more certain process that would give faster approval for developments that are entirely consistent with design codes and other rules specified locally. There should **not** be a 'fast track' where developments contravene local rules but may comply with nationally specified designs or other policies.

It is far too late when harmful proposals come to a decision-making body without the local community's input at a stage when the project could still have been amended.

EFFECTIVE STEWARDSHIP AND ENHANCEMENT OF OUR NATURAL AND HISTORIC ENVIRONMENT

London Forum **welcomes** the assurance in PWP paragraph 3.22 that the reformed planning system will continue to protect areas such as Conservation Areas (CA). Many of them have a CA Management Plan which defines what can and cannot be done, and which should form part of the assessment of any applications in Protected Areas.

Proposal 15: We intend to amend the National Planning Policy Framework to ensure that it targets those areas where a reformed planning system can most effectively play a role in mitigating and adapting to climate change and maximising environmental benefits.

London Forum agrees with the White Paper paragraph 3.24 that the densities of development appropriate in different locations, the ability to maximise walking, cycling and public transport opportunities will be an important consideration.

In addition the planning system must present a vision for creating or maintaining sustainable neighbourhoods such as planning for 5/10-minute walking localities. Most of the references to "place" and "place-making" are referred to in the abstract, rather than physical places.

Proposal 16: We intend to design a quicker, simpler framework for assessing environmental impacts and enhancement opportunities, that speeds up the process while protecting and enhancing the most valuable and important habitats and species in England.

A new system (White Paper paragraph 3.28) for Strategic Environmental Assessment, Sustainability Appraisal, Environmental Impact Assessment and Equalities Impact Assessments should be subject to public consultation.

Proposal 17: Conserving and enhancing our historic buildings and areas in the 21st Century.

The points in this Proposal are supported.

Proposal 18: To complement our planning reforms, we will facilitate ambitious improvements in the energy efficiency standards for buildings to help deliver our world-leading commitment to net-zero by 2050.

The target for new homes to produce 75-80% lower CO2 emissions by 2025 compared to current levels is supported.

Pillar Three – Planning for infrastructure and connected places

21. When new development happens in your area, what is your priority for what comes with it?

Truly affordable housing, sufficient social infrastructure, public services and facilities including public transport, effective and high-quality place making, healthy environments and carbon neutrality.

A CONSOLIDATED INFRASTRUCTURE LEVY

Proposal 19: The Community Infrastructure Levy should be reformed to be charged as a fixed proportion of the development value above a threshold, with a mandatory nationally-set rate or rates and the current system of planning obligations abolished.

We are concerned that as with current planning obligations, an industry will spring up to assist developers avoid or evade the Levy. The proposal to defer payment until completion, together with any exemptions, (e.g. for smaller sites) are likely to offer excessive "wiggle room" for an industry that has shown itself to be adept at exploiting every loophole.

22(a). Should the government replace the Community Infrastructure Levy and Section 106 planning obligations with a new consolidated Infrastructure Levy, which is charged as a fixed proportion of development value above a set threshold?

No. The new proposal places large financial risks on local authorities, who are not the most efficient bearers of that risk. The developer is a better bearer of the risk that the development will prove non-viable due to economic and financial conditions that have changed for reasons not within the control of the local authority. If the Government believes that the public sector should take that risk, it should be borne by the national Government.

S106 planning obligations are of two broad types - financial and legal. Whilst it can be argued that the financial obligations could be consolidated with the proposed Infrastructure Levy, there will still be a major role for legal agreements. These are needed to secure non-financial obligations which are essential in order to make the consent acceptable.

In other European countries that have a zoning system and where major developments are planned it is normal for the infrastructure to go in first after which sites are allocated to developers. It follows that if all the funding has to come from the developer after the event then the same piecemeal approach that we have currently will continue.

The proposal to shift the payment of developer obligations for the new Infrastructure Levy from commencement to completion of development appears to be a retrograde

step, creating not only uncertainty but also significant delay to the delivery of both affordable housing and social infrastructure. That could make developments unsustainable when considered against NPPF policies.

The Government's proposals to exempt the suppliers of 'First Homes' and small builders from the Infrastructure Levy may jeopardise the provision of the social infrastructure and public transport that developments will require to make them acceptable and sustainable.

Large areas of growth could be controlled by one developer, but sections of land within them could be offered for construction to small and medium builders. That must not be used as a way of avoiding paying the full Infrastructure Levy.

22(b). Should the Infrastructure Levy rates be set nationally at a single rate, set nationally at an area-specific rate, or set locally?

They should be set locally, because there will inevitably be factors such as difficult sites and there could be significant variation in land value across a large city which has implications for the costs of infrastructure.

The proposed threshold in the White Paper paragraph 4.9 third bullet point based on "average build costs per square metre, with a small, fixed allowance for land costs" will not reflect variation in costs of building, and so a nationally set rate would be too high in some areas and too low in others.

22(c). Should the Infrastructure Levy aim to capture the same amount of value overall, or more value, to support greater investment in infrastructure, affordable housing and local communities?

That should be left to local authorities to decide.

22(d). Should we allow local authorities to borrow against the Infrastructure Levy, to support infrastructure delivery in their area?

Yes, but MHCLG should abandon the proposal to have the Levy paid at the end of the process, which will force local authorities into borrowing amounts that they may not be able to afford if the development subsequently proves partly unviable or is sold at lower prices than expected.

Proposal 20: The scope of the Infrastructure Levy could be extended to capture changes of use through permitted development rights.

23. Do you agree that the scope of the reformed Infrastructure Levy should capture changes of use through permitted development rights?

Yes. The current exemption for permitted development rights is a bad distortion in the system which leaves local authorities and their partners in health and other services unable to provide additional infrastructure required as a result of new development.

Proposal 21: The reformed Infrastructure Levy should deliver affordable housing provision.

As stated elsewhere, the priority in London is homes for social and low-cost rent for workers with low incomes, and for whom home ownership is out of the question given current prices.

Paragraph 49 of 'Changes to the Current Planning System' stated "Where cash contributions to affordable housing are secured instead of onsite contributions, a minimum of 25% of these should be used to secure First Homes." and (in para.52 option 1) "First Homes should replace as a priority other affordable home-ownership products." The enforced delivery of First Homes would reduce the quantity of urgently needed affordable homes to rent and the number of popular shared equity homes. That could drive key workers out of London and harm its economy.

This is just one example where a one-size-fits-all, top-down policy does not work everywhere, especially not in much of London.

The current infrastructure levy has not been able to provide the quantities of affordable homes needed in London and the reasons for that need to be examined by the Government and taken into account in policies.

24(a). Do you agree that we should aim to secure at least the same amount of affordable housing under the Infrastructure Levy, and as much on-site affordable provision, as at present?

No. The aim should be to afford **more** than the current delivered amount of **truly** affordable housing, which includes low cost homes for rent, and not the delivery of First Homes which are unaffordable to most Londoners as in the GLA response to the consultation on 'Changes to the Current Planning System'.

Losses of social housing due to the Right to Buy should be taken into account.

Currently the Community Infrastructure Levy is not providing sufficient affordable to rent or social housing and developers still seem to be able to avoid the obligation by claiming that a site is not viable.

24(b). Should affordable housing be secured as in-kind payment towards the Infrastructure Levy, or as a 'right to purchase' at discounted rates for local authorities?

London Forum agrees with the White Paper statement in paragraph 4.21 that "that under the Infrastructure Levy, authorities would be able to use funds raised through the levy to secure affordable housing."

Also, that affordable housing "could be secured through in-kind delivery on-site, which could be made mandatory where an authority has a requirement, capability and wishes to do so. Local authorities would have a means to specify the forms and tenures of the on-site provision, working with a nominated affordable housing provider. Under this approach, a provider of affordable housing could purchase the dwelling at a discount from market rate, as now. However, rather than the discount being secured through Section 106 planning obligations, it would instead be considered as in-kind delivery of the Infrastructure Levy." (paragraph 4.22).

London Forum objects to the proposal in that paragraph that "First Homes, which are sold by the developer directly to the customer at a discount to market price, would offset the discount against the cash liability." That would reduce the affordable housing supply in London of homes to rent.

We do not support paragraph 4.23 "in the event of a market fall, we could allow local planning authorities to 'flip' a proportion of units back to market units which the developer can sell, if Levy liabilities are insufficient to cover the value secured through

in-kind contributions.". London is having too many homes for sale delivered already that are affordable by too few people in the capital.

The option in the White Paper paragraph 4.25 has merit and could be useful but the discounted rate in London would be too high for it to be beneficial.

24(c). If an in-kind delivery approach is taken, should we mitigate against local authority overpayment risk?

Yes.

24(d). If an in-kind delivery approach is taken, are there additional steps that would need to be taken to support affordable housing quality?

All affordable housing must meet space and daylight standards.

Proposal 22: More freedom could be given to local authorities over how they spend the Infrastructure Levy

25. Should local authorities have fewer restrictions over how they spend the Infrastructure Levy?

Yes, but it should not be spent, as suggested in the consultation, on resources to develop new Local Plans. It must be used for infrastructure and affordable homes.

25(a). If yes, should an affordable housing 'ring-fence' be developed?

Yes

DELIVERING CHANGE

Implementing reform

It seems that the Government is not intending to wait for the outcome of its considered assessment of this consultation in November 2020 of this consultation to implement the changes. The White Paper states "We also intend to introduce an exemption from the Community Infrastructure Levy for First Homes, to enable delivery prior to wider developer contribution reform. This would require **changes to regulations**."

Also, it appears that debate in Parliament on the small sites threshold below which developers do not need to contribute to affordable housing will not be allowed, as it is stated in paragraph 84 of the consultation 'Changes to the Current Planning System' that "Following the consultation, a decision will be taken on whether to proceed with this approach. If it is taken forward, this could be through the introduction of a **Written Ministerial Statement in the Autumn.**"

The same enforced implementation without full appraisal could apply to the option suggested for extending the current Permission in Principle to major development: "We aim to **introduce amending regulations this Autumn**, with the regulations expected to come into force by the end of the calendar year."

Community groups and local authorities in London would expect <u>all</u> changes arising from 'Planning for the Future' to be in a Planning Bill, not implemented by Ministerial Statements, Statutory Instruments or changes in planning regulations.

Overall, the White Paper presents a number of attractive ideas, but London Forum believes that that the next stage should be "proof of principle" rather than nationwide implementation.

Pilot projects in a small number of Local Planning Authorities could be launched at short notice, and properly resourced and monitored to give them the greatest chance of success and a sound basis for national roll-out. If the proposals are rolled out as they currently stand, we suggest that the most likely consequences are the loss of what little public trust in the planning system remains, a large political backlash, and a continuing or worsened failure to provide the right homes in the right places.

Proposal 23: As we develop our final proposals for this new planning system, we will develop a comprehensive resources and skills strategy for the planning sector to support the implementation of our reforms.

The White Paper para. 5.19 suggests that "a small proportion of the [new CIL] income should be earmarked to local planning authorities to cover their overall planning costs, including the preparation and review of Local Plans and design codes and enforcement activities." That proposal should <u>not</u> be carried forward. It could reduce funds for infrastructure and, particularly, for affordable homes. The Government should take responsibility for bearing the costs of the additional resources and skills associated with these proposals.

Proposal 24: We will seek to strengthen enforcement powers and sanctions.

London Forum welcomes the proposed intentions to prevent unauthorised development from being allowed.

26. Do you have any views on the potential impact of the proposals raised in this consultation on people with protected characteristics as defined in section 149 of the Equality Act 2010?

The proposals are likely to have a disproportionate negative impact on communities with higher proportions of ethnic minorities, higher levels of disability and poor mental and physical health, and lower incomes because, as currently drafted, the proposals will impose large amounts of change on those communities without their consent, causing extensive adverse effects in terms of congestion, dust and noise pollution from construction, overshadowing and loss of sunlight with resultant damage to health, loss of green and open space, and overstretched health care facilities and other amenities.

Their overcrowded and, sometimes, unhealthy living conditions may not be improved.

The proposal for First Homes and lifting the threshold above which affordable housing obligations arise would both reduce delivery of homes affordable by low- and medium-income Londoners and those without personal or family wealth. That would be discriminatory and would adversely affect several protected groups of people.