

# Cabinet

8 October 2020

## WCC Response to Government "Planning for the Future" Consultation

### Recommendations

1. That Cabinet agree the proposed response wording in the Appendix.
2. That the Strategic Director for Communities in consultation with the Leader be authorised to finalise the report to government.

### 1. Executive Summary

- 1.1 On August 6<sup>th</sup>, the government released its consultation "Planning for the Future", which has an end date of October 29<sup>th</sup>. This report asks Cabinet to approve the Warwickshire County Council response to this consultation.
- 1.2 The proposed reforms have far-reaching consequences for the Council, in terms of:
  - Warwickshire's ability to remain attractive to residents, developers and commercial investors while retaining its local character and ensuring sustainability,
  - the ability of stakeholders to participate at appropriate stages in planning decisions,
  - the way infrastructure required as a result of development is funded and delivered,
  - the way the Council's teams work to deliver our planning responsibilities, and
  - the way the Council is funded to deliver its planning responsibilities.
- 1.3 However, the current consultation is high-level and idea-based, and does not yet provide much of the detail required to fully assess the impacts of the proposals on either our communities or the Council. The consultation envisages new primary and secondary legislation but does not clarify whether this will replace or be an addition to existing legislation; furthermore, it focuses almost entirely on housing development and does not explain how the proposals would interact with other planning matters such as Mineral and Waste planning or employment land planning. It also does not acknowledge what would need to be different to work in two-tier areas compared to unitary areas (which is the overall perspective used). The precise timescale is not set out but the document suggests that new Local Plans required by the new

legislation should be in place by the end of the current Parliament, implying a rapid path to create and adopt the new legislation.

- 1.4 Following a process briefing and gathering feedback from both officers and Members, the Council's proposed response has been developed and is included at the Appendix.
- 1.5 A further related consultation is completing on October 1<sup>st</sup>. This earlier consultation focuses more on incremental technical changes to the existing planning system that are proposed to take place before the wider scope changes in the main reform consultation. The County Council is therefore not formally responding to the earlier consultation but is picking up relevant points within its response in the Appendix.

## **2. Financial Implications**

- 2.1 The proposals, if implemented, could have serious financial consequences for the Council's operational revenue and capital funding but there is insufficient detail to estimate these fully yet.
- 2.2 In recent years, the Council has spent on average ~£20m of developer capital funding each year. If the Council had to borrow in advance of receiving this amount (because of the proposed change in payment date from start of development or other activity trigger to date of occupation), it would create a £1.6m annual cost to the revenue budget for each year that the Council had to forward fund the infrastructure. This would need careful forecasting and could affect the affordability of our capital programme.
- 2.3 There is also a proposal in the consultation that a substantially greater proportion of total developer funding goes towards town and parish councils in the Neighbourhood Share; there is also a lack of clarity over how the allocation of the remainder between lower and upper tiers of government would work in two tier areas with different infrastructure responsibilities. Both these issues create a risk to the Council's current capital programme funding position.

## **3. Environmental Implications**

- 3.1 None at this point, though the consultation refers to a future relevant consultation to be launched in the summer.

## **4. Supporting Information**

- 4.1 The proposals within the consultation with the highest potential impact include:

- A renewed emphasis on Local Plans as deterministic documents, including the development of site-specific design codes and guides
- A shift of consultation/engagement and local democratic/regulatory activity to the Plan-making stage, rather than at planning application
- The adoption of national development management policies to remove duplication in Local Plans, making them much more streamlined
- A reduction in the time allowed to approve Local Plans, from an average 7 years currently to 30 months, and a requirement for more pace in delivery of other planning decisions, with penalties for authorities not meeting the requirements
- The introduction of three types of planning “zone”, to be designated to individual areas in the Local Plan, which would see developments in some sites automatically granted outline planning permission, and accelerate other developments meeting certain advance criteria such as “beauty”; local planning committees would consequently have a much reduced role for decision-making on a case by case basis, with more focus on assessment of whether design codes and standards are being met
- The digitisation of much of the planning process to enhance transparency and enable increased pace
- The introduction of a nationally set infrastructure levy based on land value increases, levied at point of occupation, rather than site-specific s106 agreements where payments are usually due at initiation of phases of development work; the consultation includes options for either a single national rate or area-based rates (still set nationally)
- The ability for Councils to borrow against anticipated infrastructure levy payments to fund infrastructure needed before levy payments are due, and a reduction in restrictions on how this could be spent
- The introduction of nationally determined housing targets, based on assessments of affordability, land constraints and densification opportunities
- Revision of the funding model and skills strategy for Planning activity; this would see the cost of operating the planning system borne mainly by those benefiting from the financial gains rather than the taxpayer (as is currently the case in relation to the costs of Plan-making and enforcement)
- Some strengthening of enforcement powers

4.2 The proposed response in the Appendix from Warwickshire County Council includes the following key points:

- Welcoming general intentions to speed up decision-making and reduce ambiguity for all stakeholders
- Welcoming strengthening of the status of Local Plans as meaningful documents which already absorb substantial Member and officer resource
- Supporting the development of design codes which favour “beauty” in terms of local character and preference,
- Expressing caution about automated accelerated permission for schemes which meet design codes, on the basis that it will not be feasible to pre-determine sufficient detail for inclusion in the Local Plan, Design Codes and Masterplans to ensure that the best interests of the community are served by future development

- Supporting increased digitisation, if government funds its development and creates consistency of use and process between councils
- Highlighting the many missing elements and questions, especially around practical application in two-tier areas and all non-housing planning activity
- Welcoming the proposal for new burdens funding to cover transition but challenging the affordability and deliverability of the very quick transition timescales
- Challenging suggested new Local Plan timescales as undeliverable, especially given the requirements for stronger consultation and binding status
- Protesting against “incentives” for quick decision-making around applications that are only punishments and do not allow for the impact of local factors
- Registering serious concerns about the proposal for all land to fit into one of the three zone types within a Local Plan in a binding way
- Raising concerns about national setting of binding housing targets without local adjustment and rebalancing
- Opposing a national infrastructure levy but supporting streamlining of s106 processes; arguing that s106 agreements recognise the specific circumstances and consequences of individual developments in a way that a national levy cannot, and also pointing out that many other mitigations (e.g. biodiversity, land provision, s278 payments) are currently secured via s106 agreements, which is not acknowledged in the proposals
- Opposing any regime for funding infrastructure where Councils carry either significant risk that funds will not be provided, or meet the borrowing costs of having to provide infrastructure at an earlier stage than a levy is paid by a developer due to the proposed change in trigger dates

## **5. Timescales associated with the decision and next steps**

5.1 Following Cabinet approval, the consultation response will be sent on behalf of the Council in time for the consultation deadline on October 29th. Given the speed and scope of this consultation, it is plausible that relevant further information and insights will emerge before October 29th (from government, council networks or relevant industry groups etc) that the Council will want to take into account in its response. Hence Cabinet are also asked to agree that the Strategic Director for Communities, in consultation with the Leader, be authorised to make small changes to finalise the response at the Appendix as appropriate.

5.2 We will then await indications of next steps from government.

## **Appendices**

1. Appendix

## **Background Papers**

The government consultation can be accessed at:

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

	<b>Name</b>	<b>Contact Information</b>
Report Author	Victoria Barnard	vickibarnard@warwickshire.gov.uk
Assistant Director	David Ayton-Hill	davidayton-hill@warwickshire.gov.uk
Lead Director	Strategic Director for Communities	markryder@warwickshire.gov.uk
Lead Member	Portfolio Holder for Transport and Planning	jeffclarke@warwickshire.gov.uk

The report was circulated to the following members prior to publication:

Local Member(s): None

Other members: Councillors Golby, Shilton, Kondakor, Fradgley and Holland