

**Coalition Government
Announcement on
Proposed Changes to
Planning Rules**

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Coalition Government Announcement on Proposed Changes to Planning Rules - 6th September 2012

The coalition Government, today, the 6th September 2012, announced a package of measures to help boost house building and revive the economy.

The announcement was made by Prime Minister, David Cameron, who, in introducing it, said:

"We're determined to cut through the bureaucracy that holds us back. That starts with getting the planners off our backs, getting behind the businesses that have the ambition to expand and meeting the aspirations of families that want to buy or improve a home."

The Department for Communities and Local Government (DCLG), in its announcement, made following the Prime Ministers speech, set out the following:-

(i) Temporary Relaxation of Permitted Development Rights

The announcement proposes a **temporary** relaxation of current permitted development (PD) rights. For a period of time, the 'relaxed' PD rights **would allow homeowners to build larger extensions up to 8m long for detached homes and 6m for other dwellings, without the need for planning permission.**

Shops and offices are also proposed to benefit from the changes, by allowing them to develop up to the boundary of their premises by up to **200 and 300 square metres respectively.**

In a statement on the DCLG website, further changes to PD rights were also announced:

"We will introduce permitted development rights to enable change of use from commercial to residential purposes, while providing the opportunity for authorities to seek a local exemption where they believe there will be an adverse economic impact. This common sense measure will help the regeneration of our towns and cities. Our high streets will benefit from a greater resident population, increasing footfall and supporting local shops."

(ii) Extension to FirstBuy Scheme

The FirstBuy scheme is to be extended to help 16,500 first-time buyers (FTB's) to enter the property market. FTB's will receive an equity loan of up to 20% of the purchase price to help those without a deposit onto the property ladder.

The £300m of additional funding allocated by the Treasury from departmental underspends is proposed to provide up to 15,000 affordable homes and bring 5,000 empty dwellings back into use.

(iii) Speeding up Delivery of Large Housing Sites

The Coalition Government has expressed deep frustration with delays in housebuilding, in particular with hurdles caused by the planning system. Through the announcement it proposes to push forward **large housing schemes** by working in partnership with local authorities, scheme promoters and communities, to speed up delivery of **locally-supported** major housing sites.

With respect to planning delays, and how they are to be countered by reform, the DCLG said:

***“We propose to legislate to allow applications to be decided by the Planning Inspectorate, if the local authority has a track record of consistently poor performance in the speed or quality of its decisions.*”**

There is however no information about how this will be affected or the additional resources to be given to the inspectorate for this, or arrangements for appeals against any adverse decisions. The Coalition Government hopes that the measures announced will reduce planning ‘red tape’ and delay

Additionally, concern has been expressed over the excessive requirements imposed by LPA’s on development via Section 106 agreements, in particular the high proportions of affordable housing. DCLG are proposing to introduce legislation in early 2013, **allowing developers of sites that are unviable to appeal**. In respect of this DCLG said:

“The Planning Inspectorate will be instructed to assess how many affordable homes would need to be removed from the Section 106 agreement for the site to be viable in current economic conditions. The Planning Inspectorate would then, as necessary, set aside the existing Section 106 agreement for a three year period, in favour of a new agreement with fewer affordable homes. We would encourage councils to take the opportunity before legislation comes into effect to seek negotiated solutions where possible. Alongside this, the Government is also consulting on legislation that would allow developers to renegotiate non-viable Section 106 agreements entered into prior to April 2010.”

The Coalition Government also aims to further promote **locally-led development** that benefits from schemes such as the New Homes Bonus, Community Infrastructure Levy (CIL) contributions and business rates discounts and business rates retention, which will be implemented from April 2013.

(iv) Increased Powers to Planning Inspectors

It is proposed in the announcement that there will be **greater monitoring of Local Planning Authorities** to determine which authorities are failing to make timely decisions. It is proposed that **Planning Inspectors would have increased powers to award costs**, where it is clear that an application has not been handled as it should have been. The Planning Inspectorate will also be instructed to begin **fast-tracking some small commercial appeals** and to **prioritise all major economic and housing related appeals**. **A measure is also proposed to allow developers an additional year to implement planning permission before it expires.**

(v) Realising the Potential of Previously Developed Land in the Green Belt

A significant and highly sensitive part of the announcement concerns **the use of the Green Belt**, which it is proposed will be considered in the context of local circumstances. DCLG said on this:

“There is considerable previously developed land in many Green Belt areas, which could be put to more productive use. We encourage Councils to make best use of this land, whilst protecting the openness of the Green Belt in line with the requirements in the National Planning Policy Framework.”

The extent to which this ‘waters down’ or conflicts with the long established tests for green belt has yet to be seen. Coming as it does however, shortly after many warnings of the erosion of greenbelt protection, it is likely to be one of the main elements of dispute over the announcement.

In this regard, Rachel Reeves, on behalf of Labour, said:

“With our economy in a double-dip recession and a serious housing crisis, the Government are kidding themselves if they think these announcements are up to the scale of the challenge.

“The fundamental problem is not the planning system or Section 106 agreements for much needed affordable housing, it is the lack of confidence and demand in the economy, slashed public investment and the Government’s failing economic plan.”

There remains a clear lack of detail in these measures and little information on the timetable of their implementation. At DLP we will monitor the matter very closely and if you have any queries on the announcement or concerns that this will affect you or a project being considered please contact us.

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