

Launch of Planning for the future consultation to reform the planning system

- Government sets out plans to overhaul outdated planning system and reform the way the country builds
- Plans to streamline process, cut red tape and harness technology to deliver homes faster
- Valued green spaces protected for future generations, with more building on brownfield land
- Building beautiful homes with communities at heart of new planning system
- 30% discount through First Homes, with an emphasis on key workers

An overhaul of the country's outdated planning system that will deliver the high-quality, sustainable homes communities need will be at the heart of the most significant reforms to housing policy in decades, the Housing Secretary has announced today (6 August 2020).

The landmark changes will transform a system that has long been criticised for being too sluggish in providing housing for families, key workers and young people and too ineffectual in obligating developers to properly fund the infrastructure – such as schools, roads and GP surgeries – to support them.

Valued green spaces and Green Belt will continue to be protected for future generations, with the reforms allowing for more building on brownfield land.

Local community agreement will be at the centre of the proposals being put forward in the white paper, [Planning for the future](#), published today.

The changes will be a major boost to SME builders currently cut off by the planning process. They will be key players in getting the country building on the scale needed to drive our economic recovery, while leading housebuilding that is beautiful and builds on local heritage and character.

The current system has shown itself to be unfavourable to small businesses, with the proportion of new homebuilding they lead on dropping drastically from 40% 30 years ago to just 12% today.

Recent studies show smaller firms feel the complexities of the planning process and its associated risks, delays and costs are the key challenges they face in homebuilding.

Housing Secretary Rt Hon Robert Jenrick MP said:

Our complex planning system has been a barrier to building the

homes people need; it takes 7 years to agree local housing plans and 5 years just to get a spade in the ground.

These once in a generation reforms will lay the foundations for a brighter future, providing more homes for young people and creating better quality neighbourhoods and homes across the country. We will cut red tape, but not standards, placing a higher regard on quality, design and the environment than ever before. Planning decisions will be simple and transparent, with local democracy at the heart of the process.

As we face the economic effects of the pandemic, now is the time for decisive action and a clear plan for jobs and growth. Our reforms will create thousands of jobs, lessen the dominance of big builders in the system, providing a major boost for small building companies across the country.

The reforms will mean:

- Local communities will be consulted from the very beginning of the planning process. By harnessing the latest technology through online maps and data, the whole system will be made more accessible
- Valued green spaces will be protected for future generations by allowing for more building on brownfield land and all new streets to be tree lined
- Much-needed homes will be built quicker by ensuring local housing plans are developed and agreed in 30 months – down from the current 7 years
- Every area to have a local plan in place – currently only 50% of local areas has a plan to build more homes
- The planning process to be overhauled and replaced with a clearer, rules based system. Currently around a third of planning cases that go to appeal are overturned at appeal
- A new simpler national levy to replace the current system of developer contributions which often causes delay
- The creation of a fast-track system for beautiful buildings and establishing local design guidance for developers to build and preserve beautiful communities

- All new homes to be 'zero carbon ready', with no new homes delivered under the new system needed to be retrofitted as we achieve our commitment to net zero carbon emissions by 2050

Matthew Fell, CBI Chief UK Policy Director, said:

Changes to the planning system will help ramp up the availability of homes in places where people need them most. These reforms will allow housebuilders to get to work, supporting supply chains, and more flexible, local labour markets around the country.

Delivering high-quality, safe and environmentally friendly new homes is critical for meeting our climate targets while accelerating regional growth and tackling inequality. Affordability of future housing supply must remain at the forefront of these efforts.

With coronavirus continuing to cast a shadow of uncertainty over the economy, a more flexible planning system must give local authorities and businesses scope to deliver the homes people need in the short term while laying the groundwork for sustainable communities for decades to come.

James Thomson, CEO of Gleeson Homes, said:

We strongly support the reform of our historic planning system, to bring it up to speed and ensure it is fit for purpose for the modern-day. In particular, we welcome initiatives to make it more transparent, speed up planning where appropriate and has a presumption towards development rather than against. The renewed commitment to building 300,000 new homes a year is an important goal and will be aided by these new initiatives.

At Gleeson, our focus is building low-cost quality homes in areas of regeneration and on brownfield land. The permission in principle initiative will help us to fast-track hundreds of new affordable homes for first-time buyers and essential workers on lower incomes who are eager to get a foot on the property ladder. Not only will these reforms go some way to supporting local SME housebuilders and their supply chains, but they will also help to 'level-up' the country through increased infrastructure investment, bringing jobs and homes to the north.

It's also promising to see the government renew its commitment to building well designed places for people to live and work, rather than just schemes that focus solely on density often to the detriment of place.

The Housing Secretary also confirmed today that the First Homes scheme will provide newly-built homes at a 30% discount for local people, key workers and first-time buyers. The discount will be locked into the home in perpetuity, ensuring future buyers can continue to benefit from it.

A new and simpler system of developer contributions will also ensure private firms play their part in funding the new infrastructure and affordable homes that should accompany new building.

Section 106 agreements and the Community Infrastructure Levy will be replaced with a new Infrastructure Levy that will be a fixed proportion of the value of the development, above a set threshold, helping to deliver more affordable housing.

Revenues would be spent locally on projects such as new roads, upgraded playgrounds and discounted homes for local, first-time buyers.

Helen Evans, Chief Executive of Network Homes and chair of the G15 group of London's largest housing associations said:

The country needs many more affordable homes and the planning system makes an important contribution towards that. I strongly welcome the intention of government's proposed reforms to increase transparency and certainty to help increase the delivery of affordable homes.

Towns and high streets will also benefit from renewed development. The reforms will speed up and simplify the process, breathing new life into vacant commercial properties and industrial spaces and, where desirable, transforming them into new homes.

At their heart, the proposals will ensure councils prioritise good design, establish strong, local guidance and create a fast-track for approving beautiful buildings.

Under the plans, land will be designated into one of three categories – for growth, for renewal or for protection. Communities will set the agenda for their own areas, with the categories for all land across England decided through local consensus.

Decisions on the Green Belt will stay with local authorities as they prepare their plans, so that we can continue to protect and enhance these important areas for generations to come.

Following the publication of Planning for the future, the government will now consult with planners, lawyers and local government experts on the proposals, as well as interest groups and residents.

Categorisation of land

Under the 3 categories:

- Land suitable for growth will be approved for development at the same time that plans are prepared, meaning new homes, schools, shops and business space can be built quickly and efficiently, as long as local design standards are met.
- Renewal areas will enable much quicker development where it is well-designed in a way which reflects community preferences.
- Development on Green Belt land will continue to be restricted as it is now with policy remaining a decision for local authorities as they prepare their plans.

SME facts

- Thirty years ago small builders were responsible for 40% of new build homes compared with 12% today. The membership of builders' professional bodies has also dropped in that period from over 12,215 to 2,710.
- The industry suffered during the financial crash of 2007-09 losing a third of companies.
- British firms built fewer new buildings proportionally than any other European country, data shows. (From 2017 HBF report: [Reversing the decline of small housebuilders](#) (NHBC data))
- In a [recent survey](#) of over 500 small firms, they cited their main challenges as the planning process and its associated risks, delays and costs. The survey showed:
 - 38% (the highest number) voted this their main challenge and 31% the second highest
 - the majority of firms said the costs of the planning process were getting worse
 - almost two-thirds also said the length of time and unpredictability of the system were a serious impediment to homebuilding

The paper published today also sets out measures to achieve the following:

- Supply more land in the system, to enable more high quality homes to be built in the right places and to provide businesses and communities with the space to develop.
- Meet our climate change and environmental objectives, including through higher standards for new homes.
- Make the housing industry more diverse and competitive to drive delivery and higher standards by supporting innovative developers and housebuilders including SMEs and self-builders.

Alongside the Planning for the future consultation, today the government is:

- Confirming the new First Homes home ownership scheme will provide homes with a 30% discount to first-time buyers, key workers and local people and consulting on how they can be delivered through the planning system.
- Consulting on how local housing need is assessed, ensuring locally-led plans for development help to deliver the 300,000 new homes a year we need across England while targeting more new homes in the areas they are most needed.

- Consulting on proposals to extend the current exemption of small sites from having to make 'section 106' payments, which will help smaller developers as they bounce back from the economic impact of coronavirus and help them to get more homes built.
- Consulting on extending Permission in Principle to major development to give more developers access to a fast track route to secure the principle of development for housing.
- Publishing a call for evidence to seek views on proposals to help councils and local communities better understand who controls land in their area and to assist SME and new entrants to the housing market identify land suitable for development.
- The government is encouraging feedback from individuals and organisations as part of its consultation on the proposed measures.

The full consultation document is available at:

www.gov.uk/government/consultations/planning-for-the-future