

Report to: Executive Member For Development

Date: 26th February 2007

Report of: Director of Development and
Regeneration

Report No: EMDR/15/07

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Report Title: **Planning Consultation Documents – (a) Barker Review of Land Use Planning, (b) Planning and Climate Change, (c) Planning Gain Supplement**

Non Confidential: **(Non-Confidential)** This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose: To consider the recent publication of planning consultation documents and to agree a response from Bolton Council

Recommendations:

- It is recommended that responses to Government are submitted
 - (a) On the Barker Review of Land-Use Planning on the basis of Section 3 of this report;
 - (b) On the Planning and Climate Change PPS1 Supplement on the basis of Section 5 of this report;
 - (c) On the Planning Gain Supplement Consultation on the basis of Section 7 of this report

Decision:

Background Doc(s): Barker Review of Land Use Planning, December 2006
Draft Planning Policy Statement: Planning and Climate Change
Planning Gain Supplement Consultations on Changes to planning obligations; Paying Planning Gain Supplement; and Valuing Planning Gain

(for use on Exec Rep)

Signed:

Leader / Executive Member

Monitoring Officer

Date: _____ Page 1 of 10

An Equality Impact Assessment is not required because this report does Not relate to a change or introduction of any new policy, procedure or Working practice.

Summary:

(on its own page
with background docs)

The report summarises the various consultation documents, assesses their potential effects on Bolton, and recommends a response.
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Background Information

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1. Background to the Barker Review of Land-use Planning

1.1 In December 2005, the Chancellor of the Exchequer and the Deputy Prime Minister commissioned a review of the planning system in England with the following terms of reference:

To consider how, in the context of globalisation, and building on the reforms already put in place in England, planning policies and procedures can better deliver economic growth and prosperity alongside other sustainable development goals. In particular to assess:

- *ways of improving the efficiency and speed of the system;*
- *ways of increasing the flexibility, transparency and predictability that enterprise requires;*
- *the relationship between planning and productivity, and how the outcomes of the planning system can better deliver its sustainable economic objectives; and*
- *the relationship between economic and other sustainable development goals in the delivery of sustainable communities.*

1.2 The review has been carried out by Kate Barker, an economist who is a member of the Bank of England's Monetary Policy Committee. She reported to the Chancellor and the Secretary of State for Communities and Local Government in December 2006. The Review will inform the preparation of a Planning White Paper in Spring 2007. In the meantime, the Government has requested any comments on the Review by 5th March 2007.

2. Summary of Barker Review Recommendations

2.1 The Review sets out a total of 32 recommendations that aim to ensure that the planning system better supports economic growth, while maintaining or enhancing delivery of wider objectives, including ensuring community involvement, supporting local democracy and protecting and enhancing the environment. The Review gives support to the planning system as a valued and necessary activity, with support from the business community; it can deliver positive economic outcomes through providing greater certainty for investors, and delivers important social and environmental objectives. The context for planning is becoming even more challenging, including changes in technology, globalisation and climate change. Recent reforms have started to deliver the response needed to support economic growth and productivity, but further action needs to be taken to deliver an efficient and effective planning framework.

2.2 The 32 recommendations are considered under seven specific headings:

a. Ensuring that the planning system is more responsive to the market while delivering sustainable development

Recommendation 1 There should be a presumption in favour of development on land that is unallocated in the Development Plan, unless there is good reason to believe the costs outweigh the benefits.

Recommendation 2 The Government should revise the statement of general principles (Planning Policy Statement 1) to require due regard to the economic, social and environmental benefits of development.

Recommendation 3 The Government should update its national policy on economic development (Planning Policy Guidance 4) by the end of 2007.

Recommendation 4 Wider planning policy should be made more responsive to economic factors, including the removal of the needs test for out-of-town retail development.

Recommendation 5 The Government should engage more proactively at the policy development stage of European legislation with a potential planning impact.

Recommendation 6 Regional and local planning authorities should make planning for economic development a higher priority.

Recommendation 7 Local authorities should be encouraged to work together in drawing up cross-boundary development plan documents.

b. Managing growing demand for development land, both by ensuring more efficient use of urban land and ensuring that the environment is protected and enhanced within the context of more land being required

Recommendation 8 The Government should make better use of financial interventions to encourage an efficient use of urban land, including introducing a charge on vacant and derelict brownfield land.

Recommendation 9 Protected land designations, including green belts, should be reviewed to make sure they are appropriate.

c. Enabling the effective delivery of necessary infrastructure while protecting the need for democratic accountability

Recommendation 10 National statements of strategic objectives for energy, transport and waste proposals should be introduced. Individual objectives should be decided by an independent commission.

Recommendation 11 Measures to ease the work of the new commission, including rationalising consent regimes, should be introduced.

Recommendation 12 Ministerial call-ins and other decisions should be limited to only those cases where there are national or wider than local spillover effects.

d. Streamlining the planning system to increase certainty, reduce complexity and cut costs for the private and public sectors while ensuring that systems support effective community involvement

Recommendation 13 The Government should streamline the secondary legislation related to planning (for example permitted development rules).

Recommendation 14 The Government should streamline national planning policy guidance. There are currently 800 pages of planning policy guidance and statements, and this should be reduced to 200.

Recommendation 15 The Government should urgently review the regulations and guidance on Local Development Frameworks to allow the next generation of development plan documents to be delivered in 18-24 months rather than the current 36-42 months.

Recommendation 16 The Government should formally commit to the gradual unification of the various consent regimes related to planning, for example on listed buildings and conservation areas.

Recommendation 17 The Government should reduce the amount of information needed to support planning applications, for example reducing the length of environmental statements.

e. Enhancing the speed and quality of local authority decision-making, so that firms and other applicants are provided with the level of service they have a right to expect

Recommendation 18 Permitted development rights for developments should be widened and a voluntary system of side agreements should be introduced whereby planning permission may not be necessary if agreement with neighbours has been reached.

Recommendation 19 The planning application system should be made more efficient by the use of pre-application discussions, planning delivery agreements and earlier negotiation of section 106 agreements.

Recommendation 20 The Government should review current resource arrangements for local planning authorities, for example allowing more fee-charging to improve the status of planning and continuing a form of Planning Delivery Grant.

Recommendation 21 The Government should improve the skills of planners within local authorities, for example working with professional bodies to increase new entrants, raising the status of chief planning officers, and improving training for council members.

Recommendation 22 Local planning authorities should enhance their quality of service by considering shared services with other authorities and increasing outsourcing.

Recommendation 23 The Government should introduce a stronger system of performance management to address poor performance by local planning authorities.

Recommendation 24 Decision-makers should give higher priority to ensuring that new development has high design standards – both for function and appearance.

f. Improving the appeals system, to reduce substantially the lengthy delays currently experienced, while providing Planning Inspectors with the resources to make high-quality decisions

Recommendation 25 The Government should introduce a planning mediation service, to reduce pressure on the Planning Inspectorate

Recommendation 26 The Government should reduce the non-appeal demands made on the Planning Inspectorate

Recommendation 27 There should be a series of reforms to improve the efficiency of the appeals system.

Recommendation 28 There should be increased resources for the Planning Inspectorate.

Recommendation 29 Targets for appeals processing should be tightened, with all appeals to be processed within six months from 2008-9

g. Improving wider incentives to support this more responsive system, in particular the fiscal incentives facing local authorities

Recommendation 30 The Government should consider further options to ensure that local authorities have the right fiscal incentives to promote local economic growth, for example through existing mechanisms such as planning obligations, or through more radical changes to local taxation, an issue currently being considered by the Lyons Inquiry into Local Government

Recommendation 31 Business should make use of the potential to offer direct community goodwill payments on a voluntary basis, when this may help to facilitate development.

Recommendation 32 is an overarching recommendation that the Government should publish a progress report on delivery against these recommendations by the end of 2009, drawing on the views of key stakeholders and users of the planning system

3. Response to the Barker Review

3.1 The Review makes a series of recommendations that could, if implemented, have a significant effect on the way that the planning system operates in Bolton, on procedures, on policies and on financial aspects. Some of the recommendations are directed at the way that the Government produces planning policies, and some at the way that the appeals system works. But many of the recommendations would impinge on the Council's role as local planning authority. The nature of the Review is that it makes broad recommendations that the Government and local authorities would have to translate into action. The exact impact of the recommendations will be unclear until greater details emerge about how they would be implemented.

3.2 Nevertheless there are some recommendations that can be supported in principle, and others that give rise to concern about the effect that they would have on the Council as local planning authority.

3.3 In principle, support can be given to the following recommendations.

- 2,3 and 13. The updating and rationalisation of national planning guidance will help the Council in preparing the Local Development Framework and in making decisions on planning applications.
- 15. The proposal to shorten Local Development Framework plan-making procedures may be positive. However it must not result in community participation being curtailed early on in the plan-making process. If it is to be effective then the amount of work that needs to be carried out must be genuinely reduced as well as the procedures being shortened. In any event, this proposal is unlikely to be introduced in time to benefit the current programme of preparing a Core Strategy and an Allocations Development Plan Document.
- 20. It is encouraging that the Review recognises the importance of resources for local authority planning.
- 24. The stress that the Review places on high design standards is especially supported.
- 25,26,27,28,29 The recommendations on the need for the appeals system to be made more efficient.

3.4 Some of the other recommendations are suggesting changes to planning policies and procedures even though they are not based on clear evidence. The suggested changes would have the effect of making the system more cumbersome than it already is, especially in Bolton where the system generally works very well. There are four recommendations that give particular cause for concern.

- 1. The proposal that there should be a presumption in favour of development on land unallocated in the Development Plan unless there is good reason to believe the costs outweigh the benefits could reduce the ability of the Council to resist development when

it has justifiable reasons to do so. It is also unclear how this proposal relates to Section 38 of the 2004 Planning and Compensation Act, which states that planning decisions should be made in accordance with the Development Plan unless material considerations indicate otherwise. Most of the Borough's urban area is unallocated on the Unitary Development Plan Proposals Map; there would be an overall presumption in favour of development across these unallocated areas, although the criterion based approach of the UDP may well indicate otherwise. The proposal also suggests that there should be a presumption in favour of development when the Development Plan is out of date. The UDP was adopted in 2005 and developers may argue that it will become out of date before the adoption of the Core Strategy and the Allocations DPD in 2009 and 2010. This recommendation is unacceptable and is based on a misunderstanding of the way that the planning system works.

- 9. Green belts should be reviewed to make sure they are appropriate. The more detailed analysis in this proposal does give support to the current Green Belt in the North West as a tool for urban regeneration. If implemented nationally though, this proposal could result in the Council having to reconsider its Green Belt boundaries fundamentally, and this in turn would lead to an adverse effect on the Council's policies of urban regeneration and urban concentration.
- 10. An independent planning commission to decide on planning applications for major infrastructure projects would result in a diminished role for local communities in decision making and a lack of accountability.
- 18. The widening of permitted development rights may have some advantages in removing the necessity for planning permission for some minor and uncontentious developments. A review of householder consents is already being carried out nationally. However the removal of the need for planning permission for minor developments would mean that the local community would have a diminished role. The physical appearance of some areas of the Borough, especially conservation areas, could be adversely affected if permitted development rights were widened. If the proposal on side agreements were implemented, then the neutral decision-making role of the Council would be removed.
- 22. The Government should not compel local planning authorities to outsource any of their planning services. The local planning authority concerned must make decisions on outsourcing.
- 31. The suggestion on community goodwill payments appears to allow developers to buy off possible objectors and this is unacceptable. Any community payments should be channelled in an open and transparent way through Section 106 agreements as they are at present.

4. Background to the Proposed Planning Policy Statement: Planning and Climate Change

4.1 Planning Policy Statement 1: Delivering Sustainable Development sets out the overarching planning policies on the delivery of sustainable development through the planning system. The consultation document seeks views and comments on a draft Planning Policy Statement, Planning and Climate Change which, when finalised, will supplement PPS1. It sets out how spatial planning, including Regional Spatial Strategies, Local Development Frameworks and determining planning applications, should contribute to reducing emissions and stabilising climate change (mitigation) and take into account the unavoidable consequences (adaptation). The consultation forms part of a wider package of actions to help deliver the Government's ambitions of achieving zero carbon development.

4.2 The consultation document sets out key planning objectives;

- Spatial strategies should contribute to the Government's Climate Change Programme and energy policies
- Enabling the provision of new development to secure the highest viable standards of resource and energy efficiency and reduction in carbon emissions
- Delivering patterns of urban growth that help secure the fullest possible use of sustainable transport, and reduce the need to travel, especially by car
- Securing new development and shaping places resilient to the effects of climate change
- Sustaining biodiversity
- Reflecting the needs of communities and enable them to contribute effectively to tackling climate change
- Responding to the concerns of business and encouraging competitiveness and technological innovation.

These objectives should be taken into account in the preparation of documents in the Local Development Framework and in determining planning applications. In determining planning applications planning, building control and other regulatory regimes should complement each other, as should the Code for Sustainable Homes. Information sought from applicants should be consistent with that needed to demonstrate conformity with the development plan and the Planning Policy Statement, and be proportionate to the scale of the proposed development and its likely impact. The PPS is a material consideration while Development Plans are being updated to reflect it.

4.3 In addition to general advice on how development should meet climate change challenges, the PPS gives specific advice on renewable and low carbon energy technologies. The Local Development Framework should pay particular attention to encouraging opportunities for decentralised energy supplies, and consider allocating sites for renewable and low energy sources and associated infrastructure. The LDF should not set stringent requirements for minimising impact on landscape and townscape if these effectively preclude the supply of certain types of energy supply. Local planning authorities should ensure that a significant proportion of the energy supply of substantial new development is gained on-site and/or from a decentralised, renewable or low-carbon energy supply. Substantial new development is defined as over 1000 sq m, and a significant proportion is provisionally defined as 10%.

4.3 The PPS advises Local Planning Authorities that they should give positive consideration to Local Development Orders to extend permitted development rights to secure decentralised energy supply systems and renewable energy.

5 Response to Draft PPS1 Supplement, Planning and Climate Change

5.1 The general approach of the draft PPS Supplement can be given full support. It provides welcome clarity on what is required from the planning system at local level, and stresses the urgency of action on the issue of climate change. The Council is already implementing many of the policies through the Unitary Development Plan and in the determination of planning applications. It also gives support to the approach of the draft Sustainable Design and Construction Supplementary Planning Document. The final version of this document will be considered for approval at the March meeting of the Executive Member for Development.

5.2 However there are some issues that require additional clarification or give cause for concern. There is insufficient clarity about the relationship between the planning system, building control and the Code for Sustainable Homes (CSH). Building Regulations set

minimum standards, whereas the new CSH complements and improves on the minimum. What is not clear is how improved standards for non-housing development can be achieved. This could be rectified by signposting to the ratings set by the Building Research Establishment Environmental Assessment Method (BREEAM), as the Council's draft SPD does.

5.3 The other area of concern is around the thresholds and proportions on renewable energy. Bolton's draft SPD has a figure of 20% for on-site renewable energy rather than 10% and a threshold of 500 sq m and 3 houses, rather than 1000 sq m. These more stringent thresholds are considered to be supported by scientific evidence.

6 Background to the Planning Gain Supplement

6.1 As part of the response to the earlier Barker Review of 2004 on housing supply, the Government consulted on a proposal for a Planning Gain Supplement (PGS) in 2005. The PGS would capture a modest portion of the uplift in value accruing to landowners as a result of the granting of planning permission. The funding raised would be used for a variety of infrastructure projects to support new development. At the pre-budget report of 2006, the Government announced that it would move forward with the implementation of PGS, if after further consultation, it proved to be deemed workable and effective. It also said that PGS would not be introduced earlier than 2009, and that 70% of the PGS would be returned to the local authority area in which it is raised with the remaining 30% becoming available to regions for strategic infrastructure.

6.2 There are currently three consultation documents on various aspects of PGS

- Changes to Planning Obligations (Department of Communities and Local Government)
- Paying Planning Gain Supplement (Her Majesty's Revenue and Customs)
- Valuing Planning Gain (HMRC)

These documents are not concerned with the principle of introducing PGS, but with more detailed issues of its relationship with planning obligations and how it will be collected.

6.3 The consultation on changes to planning obligations raises important considerations for

the Council. The Council currently seeks planning contributions from relevant larger developments for a range of purposes including affordable housing, open space, education, health, access and public art. Under the Government's PGS proposals, most of these requirements will be transferred to funding from PGS. However it is proposed that some matters would still be covered by planning obligations including affordable housing, mitigation for loss of facilities or amenities caused by a development, and making development acceptable (for example contributions to safety or biodiversity). The consultation is around

- setting a common basis for negotiation for affordable housing;
- whether developers should be required to fund access to the nearest highway or further afield, for example to the Primary Development Network for major developments
- the inclusion of travel plans and demand management measures
- how to treat land contributions, when developers offer land (as opposed to buildings) for community purposes as part of a development proposal

7. Response on Planning Gain Supplement Consultations

7.1 The introduction of the Planning Gain Supplement would have a fundamental effect on the way that the Council and developers work towards funding necessary infrastructure and mitigating the impact of new development. The present system is considered to work well in Bolton. It provides a reasonable level of certainty for developers, at the same time as allowing the Council to use some of the uplift in value of sites receiving planning permission to fund affordable housing and other necessary infrastructure. The move to PGS would reduce the amount of influence and discretion that the Council currently has on money raised from developers, and could potentially reduce the amount of money available for expenditure in Bolton.

7.2 The principle of PGS would be harmful to the way that Bolton currently operates the planning system through its use of planning obligations. Even in the event that PGS is introduced nationally, consideration should be given to the concept of exempting developers from paying the tax in areas covered by excellent councils such as Bolton. This would enable those councils to continue to negotiate with developers on the funding of the necessary infrastructure to support new development. It would also support the principle contained in the 2006 Local Government White Paper of allowing local government to make decisions with a lighter regulatory touch from central government.

7.3 Even if PGS were introduced nationally, then the concept of retaining only 70% of funding locally is not acceptable. There would be no local accountability in the use of the remaining 30% of funds.

7.4 If PGS were to be introduced, then the principle of setting a common basis for negotiation on affordable housing can be supported. It would provide reasonable certainty for the Council and developers, and reflects current Council practice. The Council's Housing Needs Survey is nearly complete and will provide the necessary evidence base for supporting a revised approach to affordable housing contributions.

7.5 The inclusion of travel plans and demand management measures in planning obligations can be supported since it will give the Council discretion over what is needed for individual developments. Developers should be required to fund access to the nearest appropriate highway, rather than just the nearest highway, since this reflects the true highway impact. The proposal to treat land contributions for community facilities as part of planning obligations can also be supported.

8 Recommendations

8.1 It is recommended that responses to Government are submitted

- (d) On the Barker Review of Land-Use Planning on the basis of Section 3 of this report;
- (e) On the Planning and Climate Change PPS1 Supplement on the basis of Section 5 of this report;
- (f) On the Planning Gain Supplement Consultation on the basis of Section 7 of this report

