

Report to Planning Committee 3 July 2025

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Report Summary		
Report Title	Planning Reform Update	
Purpose of Report	To engage Members of the Planning Committee on the latest planning reform consultations	
	That Members of Planning Committee note the planning reform consultations.	
Recommendations	That the Council's representations on planning reform consultations be delegated to the Director for Planning & Growth in consultation with the Chair and Vice-Chair of Planning Committee.	

## 1.0 Background

- 1.1 Planning reform was an important aspect of the King's Speech last year. Reform, it was argued, would be a means of unlocking national economic growth. Members will be familiar with the government's Plan for Change and the commitment to delivering 1.5 million homes during this Parliament. The government updated the National Planning Policy Framework in December 2024, including reintroducing mandatory targets for the number of new homes and encouraging development on 'grey belt' land where housing need cannot otherwise be met. The government has indicated that it plans to go even further in the coming months to streamline the planning system by introducing more 'rules-based' national policies for development management, amending the statutory consultee system, and finalising a proposed 'National Scheme of Delegation' in relation to planning committees.
- 1.2 This report looks at some of the key planning reform consultations. These are summarised in the table below. Most of these are managed by the Ministry of Housing, Communities and Local Government (MHCLG). There are two Department for Environment, Food and Rural Affairs (DEFRA) consultations for Biodiversity Net Gain (BNG) reviews. Whilst this report briefly looks at all of the consultations, the focus of this update is the two key consultations which impact on Planning Committee functions Planning Reform Working Paper: Reforming Site Thresholds and Reform of planning committees: technical consultation.

Consultation Planning Reform Working	Overview This paper invites views on options the	Deadline for response 7 <sup>th</sup> July 2025
Paper: Speeding Up Build	government could pursue to ensure the right	7° July 2025
Out	incentives exist in the housing market, and	
out	local planning authorities have the tools they	
	need, to encourage homes to be built out	
	more quickly.	
Technical consultation on	This technical consultation sets out the	7 <sup>th</sup> July 2025
implementing measures to	rationale for implementing the new statutory	,
improve Build Out	build out information requirements and the	
transparency	power to decline to determine applications,	
	including setting out the importance of build	
	out and the government's plan to improve	
	build out transparency.	
Planning Reform Working	This working paper seeks views on reforming	9 <sup>th</sup> July 2025
Paper: Reforming Site	site size thresholds in the planning system.	
Thresholds	This means taking a gradated approach to the	
	system as a whole – removing and	
	streamlining perceived disproportionate	
	requirements on small and medium sites,	
	while maintaining and strengthening	
	requirements on major development.	aard L L 2025
Reform of planning	Further to the introduction of the Planning and	23 <sup>rd</sup> July 2025
committees: technical	Infrastructure Bill this consultation seeks	
consultation	views on the implementation of the three	
	aspects of reform proposed: 1) a national	
	scheme of delegation; 2) control of the size and composition of planning committees; 3)	
	mandatory member training.	
DEFRA: Biodiversity net	The government is proposing introducing BNG	24 <sup>th</sup> July 2025
gain for nationally	for NSIPs from May 2026. This will ensure	24 July 2023
significant infrastructure	consistency with legally binding Environment	
projects	Act 2021 targets for biodiversity and provide	
	wider benefits for climate change adaptation	
	and mitigation.	
DEFRA: Improving the	This consultation seeks views on options	24 <sup>th</sup> July 2025
implementation of	around extending exemptions, simplifying the	
Biodiversity Net Gain for	small sites metric and increasing ease of access	
minor, medium and	to the off-site market. It also addresses specific	
brownfield development	challenges for brownfield developments.	

## 2.0 Planning Reform consultations

Planning Reform Working Paper: Reforming Site Thresholds

2.1 The government argues that small and medium builders play a crucial role in driving up housebuilding rates by bringing diversity and competition to the market and supporting faster build out rates. The government's working paper outlines the challenges smaller housebuilders have in bringing sites forward, arguing that there needs to be a more proportionate approach for small sites. Members will know that national policy and regulations only differentiate between minor applications (those under 10 units), and major applications (those of 10 or more). Minor applications have some reduced requirements, such as typically being exempt from affordable housing requirements and having shorter statutory timescales for determination. However, the government feels that these easements are limited in scope and – beyond this – there is little

difference between how planning applications for 10 homes are treated in the system compared to those for 100 homes or 1,000. The government has set out three key principles for exploring change:

- I. Moving to a more proportionate planning system that offers a more gradated approach and responds to the needs of different sizes of site. This includes lifting disproportionate requirements for the smaller sites, streamlining requirements for medium sites, and setting clearer expectations for strategic sites.
- II. Establishing clearer categories of development that can support a more effective market, greater consistency across the planning system, and allows more sophisticated and targeted approaches to government policy – both now and in the future.
- III. Providing greater up-front certainty on planning requirements for different site sizes to help de-risk and speed up development.
- 2.2 To achieve this, the government sets out a potential new hierarchy of site thresholds:
  - Very small sites under 0.1ha
  - Minor Residential Development fewer than 10 homes /up to 0.5 hectare (ha)
  - Medium Residential Development between 10-49 homes/up to 1.0 ha
  - Major Residential Development 50+ homes / 1+ hectare
- 2.3 The consultation suggests that this graduated approach would enable significant relaxation of rules in the smallest sites. For example, minor development could be exempt from BNG and have reduced requirements for validation. The medium site size would be an entirely new category with more simplified BNG rules and a potential exemption from the Building Safety Levy. Minor sites would likely always be delegated to officers for decision-making. Some medium and major schemes could still be capable of being called into Committee however.
- 2.4 The government also sets out a commitment to streamlining section 106 agreements.

## The Reform of Planning Committees: technical consultation

- 2.5 It is currently the case that all local planning authorities have their own scheme of delegation, but these vary widely across the country. The government considers that there is a lack of consistency on the types of applications going to committee, and a disproportionate consideration of relatively minor technical details.
- 2.6 The government states that its intention is to encourage "better quality development that is aligned with local development plans, facilitates the speedy delivery of the quality homes and places that our communities need, and gives applicants the reassurance that in more instances their application will be considered by professional officers and determined in a timely manner. This will allow committees and the elected representatives that sit on them to focus their resources on those applications where local democratic oversight is required."

- 2.7 In December 2024, the government published the Planning Reform Working Paper Modernising Planning Committees which set out three potential actions to reform Planning Committees:
  - I. A national scheme of delegation.
  - II. Requirement for smaller committees.
  - III. Mandatory training for all committee members.
- 2.8 The government undertook wide-ranging engagement on these proposals, including workshops with local planning authorities and chairs of planning committees. They state that 160 written responses were received alongside an independent survey undertaken by the Planning Advisory Service which attracted 130 responses. The key findings were:
  - most respondents could see the case for a scheme of delegation to provide more consistency and certainty, but there were differing views about the structure of such a scheme;
  - there was little support for separate strategic development committees, however, there was strong support for smaller committees generally to improve the quality of debate;
  - there was strong support for mandatory training of planning committee members to improve their understanding of planning.
- 2.9 The key actions set out in the December Working Paper are within the current version of the Planning and Infrastructure Bill which was introduced into Parliament on 11 March 2025 (section 48-49 'fees'; section 50 'training for local planning authorities'; section 51 'delegation of planning decisions'). The Bill recently passed its third reading in the Commons (10<sup>th</sup> June) and is currently now in its second reading in the Lords. The measures in the Bill are enabling powers and the detailed provisions will be set out in regulations to be brought forward following Royal Assent. This technical consultation seeks views on what detailed provisions should be included in the regulations.
- 2.10 The government accepts that whilst there might be broad support for greater clarity and consistency on the delegation of planning functions, the responses to the working paper identified a number of challenges:
  - concern about creating new legal risks, being inflexible to deal with local circumstances, and leading inadvertently to more applications going to committee;
  - concern that there would be reduced political oversight of locally important applications;
  - the option of a scheme based on compliance with the development plan was felt to be too subjective and would not therefore achieve the objective of providing greater certainty;
  - there was strong support to remove objection-based delegation criteria on the basis that they artificially encourage objections, lead to non-planning based decisions and create delays to otherwise acceptable development.

- 2.11 The government has considered these issues and decided to propose that a scheme of delegation which categorises planning applications into two tiers:
  - Tier A which would include types of applications which must be delegated to officers in all cases; and
  - Tier B which would include types of applications which must be delegated to officers unless the Chief Planner and Chair of Committee agree it should go to Committee based on a gateway test.
- 2.12 The table below summarises what might fall within the two tiers:

<ul> <li>Tier A applications (delegated in all cases)</li> <li>Householder development</li> <li>Minor commercial development</li> </ul>	<ul> <li>Tier B (delegated to officers subject to a gateway test through which the chief planning officer and chair of planning committee must mutually agree that they should go to committee if they are to depart from the scheme of delegation)</li> <li>Applications for planning permission not in Tier A (o g modium or maior</li> </ul>
<ul> <li>Minor commercial development</li> <li>Minor residential development</li> <li>applications for reserved matter approvals</li> <li>applications for s96A non-material amendments to planning permissions</li> <li>applications for the approval of conditions</li> <li>applications for approval of the BNG Plan</li> <li>applications for approval of prior approval (for permitted</li> </ul>	<ul> <li>Applications for planning permission not in Tier A (e.g. medium or major residential/commercial)</li> <li>any application for planning permission where the applicant is the local authority, a councillor or officer</li> <li>Section 73 applications to vary conditions where this would affect the principle of development</li> </ul>
<ul> <li>development rights)</li> <li>applications for Lawful Development Certificates</li> </ul>	

- 2.13 Looking at Committee agendas for the last 12 months, it is likely that we would have continued to have regular meetings under Tier B due to the large number of Council projects considered. Depending on the gateway arrangements, controversial schemes would also likely have ended up on the agenda, notably where statutory objections were made.
- 2.14 The technical consultation seeks views on whether special control applications such as tree preservation orders, listed building consent or advertisement consent should always be delegated decisions or could be capable of falling into Tier B. There is also thought about whether all section 106 decisions not linked to a planning application should be added to Tier A or B, as well as contentious enforcement decisions.

- 2.15 With respect to the size and composition of committees, the government feels that a committee of 8-11 members is optimal for informed debate on applications. The government states that it recognises that there is a need for some local flexibility to take account of political balance requirements and meeting abstentions. They are therefore, proposing to set a maximum of 11 members in the regulations. They will use the statutory guidance to provide a steer on best practice so that 11 members does not unintentionally become to be seen as the requirement. Committees may be smaller if that works best locally.
- 2.16 A key feature incorporated into the Planning and Infrastructure Bill's provisions is the need for a member to have some form of training certification to ensure they can only make committee decisions if they have been trained. There are two basic options:
  - I. a national certification scheme which would be procured by MHCLG and involve an online test for certification; or
  - II. a local based approach where the local planning authority provides certification
- 2.17 Members will note the regular reports we present looking at performance. The planning performance regime covers decision making by both committees and delegated officer, looking at quality of decision making by measuring the proportion of total decisions overturns at appeal (as well as speed of decision-making). As part of the government's agenda to reform the planning system and ensure it is delivering the outcomes communities want, they may consider reviewing the thresholds in the performance regime to support high quality decision making across both committee and officer decisions. There is no detail given on what this might entail, but it could mean increasing the targets for making decisions within statutory timeframes, as well as the level at which appeal overturns are benchmarked.

## **Biodiversity Net Gain consultations**

- 2.18 The two DEFRA consultations deal with technical aspects of BNG regulations. As a reminder, BNG is an approach to development which aims to leave the natural environment in a measurably better state than beforehand. The Environment Act 2021 introduced a mandatory BNG requirement in England for most new developments under the Town and Country Planning Act 1990, requiring them to deliver a 10% increase in biodiversity. Following a two-year transition period, BNG has been mandatory for most major developments from 12th February 2024, and for minor development from 2nd April 2024.
- 2.19 The first DEFRA consultation listed in the table in 2.2 explores the government's intention to introduce BNG for NSIPs from May 2026. Central to the consultation request is views on a model framework for those making development consent orders using the following:
  - Biodiversity gain objective
  - Irreplaceable habitat
  - Calculating BNG

- Pre-development biodiversity value
- Delivering BNG
- Considerations for the delivery of biodiversity gains
- Evidence for submission and decision making
- 2.20 Model text is included in an annex attached to the consultation document. Views on cost implications for BNG in NSIPS is also sought.
- 2.21 Linked to this is a further consultation on improving the implementation of BNG for minor development. Most of the consultation is not applicable to NSIPs, except brownfield development with open mosaic habitat, which is relevant for all development types with a BNG requirement, including NSIPs.
- 2.22 Importantly, this second consultation recognises the challenges for smaller and specific development types. This discussion is linked to the reforming site thresholds discussed earlier in this report.
- 2.23 Exemptions from BNG include householder development and cover in practice many other minor developments due to the nature of development, particularly through the de minimis exemption which will cover, for instance, development on hard standing such as a car park redevelopment that has little or no impact on biodiversity. The existing exemptions however do not cover all minor development. A high proportion of more substantial minor developments impact on habitats which are above the de minimis threshold, including many minor residential developments for new dwellings. Many of these residential developments are also outside the scope of the separate self and custom build exemption. Although these minor developments subject to BNG cover only a small area as minor development, the cumulative impact of the large number of these developments could be significant, and the habitat enhancements delivered through BNG make an important contribution to halting the decline of nature. Nevertheless, there area number of problems with this process:
  - increased costs and/or time from additional steps in the planning process.
  - increased costs from delivering habitat enhancements where sites may be more constrained so opportunities for onsite BNG may be limited, impacting viability.
  - developing knowledge and expertise amongst developers, ecologists and local planning authorities
- 2.24 The consultation goes on to explore the potential for reforming the existing exemptions, streamlining the small sites metric, relaxation of the biodiversity gain hierarchy and delivery of compensation for development on brownfield sites.

## Speeding up build out

2.25 The government's working paper on speeding up build out with accompanying technical consultation aimed at speeding up construction. The technical consultation indicates that there could be a build out reporting framework with build out statements, commencement notices and annual project reports. The build out statement would become a validation requirement (for major applications only) and would need to

include build out trajectory, housing tenure mix, information on diversification of mix to support build out and any delivery risks. The measures might also include the power for the LPA to decline to determine an application where the developer fails to build out development authorised by an earlier planning permission at a reasonable rate. This will provide LPAs with an important new sanction to address developers who persistently fail to build out quickly.

2.26 Subject to the outcome of the consultation, the intention is to bring forward the regulations to implement these measures at the earliest practical opportunity with the new build out reporting framework coming into force from 2026. An Impact Assessment will be prepared by government for the regulations.

# 3.0 <u>Next steps</u>

- 3.1 It is important to note the other actions the government has already signposted in the planning reform consultations, including:
  - A new local plan system
  - National Decision Making Policies and a revised National Planning Policy Framework later this year
  - local planning authorities to set their own planning fees to cover costs of delivering a good planning applications service
- 3.2 There are several consultation deadlines in July as summarised in the box in 1.2. The Council's representations on planning reform consultations will need be delegated to the Director for Planning & Growth in consultation with the Chair and Vice-Chair of Planning Committee.
- 3.3 The Council will need to write to the relevant MHCLG or DEFRA address or otherwise fill in the relevant online survey.

## 4.0 Implications

- 4.1 In writing this report and in putting forward recommendations' officers have considered the following implications; Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding and Sustainability, and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.
- 4.2 Legal Implications LEG2526/6221

This report is for noting.

## **Background Papers and Published Documents**

Reform of planning committees: technical consultation - GOV.UK

Modernising Planning Committees National Survey 2025 | Local Government Association Planning Reform Working Paper: Reforming Site Thresholds - GOV.UK

Planning Reform Working Paper: Speeding Up Build Out - GOV.UK

FINAL - 17/07/24 King's Speech 2024 background briefing final GOV.uk.docx

Planning and Infrastructure Bill

Biodiversity net gain for nationally significant infrastructure projects - GOV.UK

<u>Biodiversity net gain for nationally significant infrastructure projects - Defra - Citizen</u> <u>Space</u>

Improving the implementation of Biodiversity Net Gain for minor, medium and brownfield development - Defra - Citizen Space