

Annual Planning Survey Feedback Report

Unlocking the benefits of our Planning
system?

December 2018



GL Hearn

Part of Capita plc

Content

Introduction	2
Online Survey	2
End to End Process – Areas of Focus	4
Workshops feedback	8
Best practice summary	9
Final Thoughts	11

Commercial in confidence

Introduction

The Annual Planning Survey now benefits from over five years of data in respect of both local planning authorities' development management practices, as well as the development industry's view of the operation of decision making across England. In 2018 the approach towards the research has changed to react to this extensive data and opinion, using it to try and shape a shared set of best practice guidelines implemented at a local level.

Over the years, the survey has looked to promote best practice for LPAs and applicants. GL Hearn has worked alongside the British Property Federation, the Planning Advisory Service, and held discussions with the Ministry for Housing Communities and Local Government.

In the current climate, there is little appetite for legislative change with national focus remaining around Brexit. There is nevertheless an opportunity to implement changes at a local level within the current legislative framework.

Both the Revised National Planning Policy Framework and the Raynesford Review are focused around maximising housing delivery, and economic growth more generally. The planning system of course plays a key role in delivering the Government's objectives in this regard.

Having now run for a number of years the survey is able to highlight, areas for possible change which could make a perceivable difference in the speed and quality of decisions related to delivering housing and economic growth. In light of the survey's results, the two areas of particular focus for 2018 and beyond are 'effective communications' and 'collaborative working' (often referred to as trust).

The most recent opinion survey took place in September 2017. As in previous years, a structured online survey methodology was adopted. In total well over 300 respondents (165 LPA respondents and 162 Applicants respondents) completed the survey. The survey was administered by QRS Market Research who collected and reported the results.

However, unlike previous years, the results were shared with a panel of public sector and applicant representatives in two workshops with a view to considering best practice and improvements for the future. These conversations were then subject to further debate and testing within GL Hearn's national planning team.

Online Survey

165 LPA Officers representing 98 LPAs responded to the survey, broadly split into thirds by Greater London & the South East; the Midlands & East Anglia; and Scotland, Wales, Northern Ireland and the South West and North of England. Over half of the applicant respondents were professional advisors, with the remainder made up of housebuilders, developers, investors and owner-occupiers.

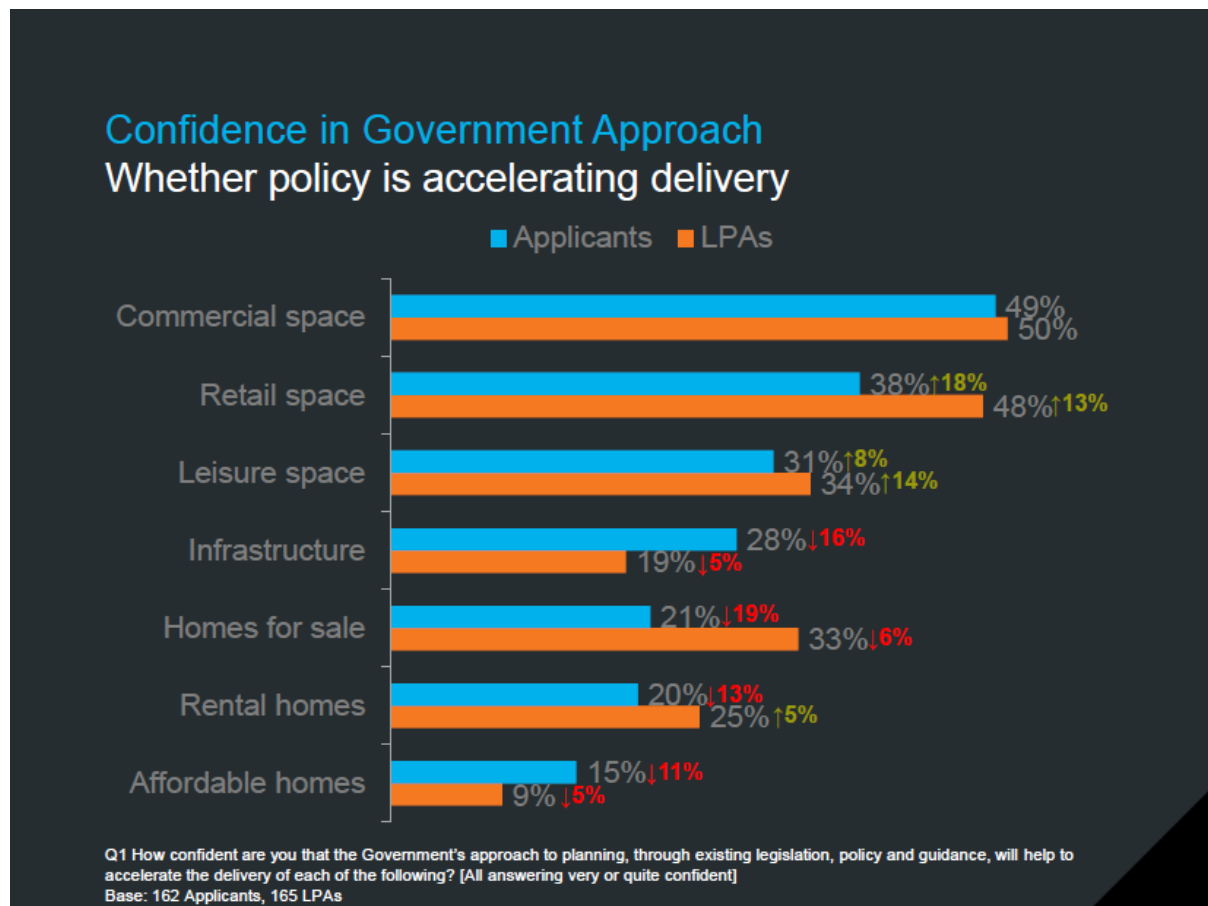
Existing National Legislation

Confidence in the Government's approach to the delivery of housing and infrastructure (particularly the Government's affordable housing policies) remain areas where LPAs and Applicants demonstrate limited confidence in the Government's approach.

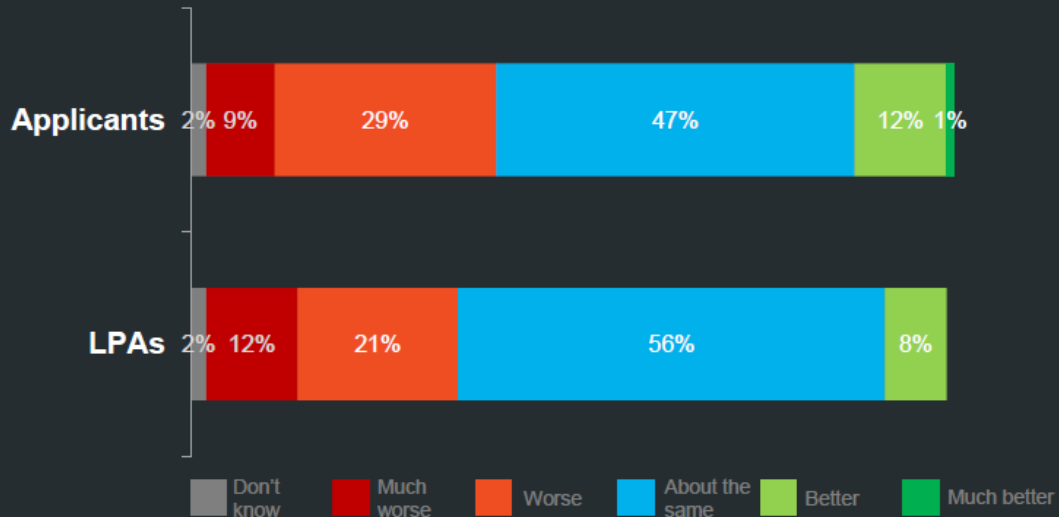
Given the prevailing 'housing crisis', there continues to be scepticism towards the Government's approach on housing delivery over the preceding 12 months. Only 8% of LPAs believe the Government's approach has been successful, whilst 33% believe the Government has been unsuccessful (47% answered about the same). The response balance is similar for Applicants where 13% believe the Government's approach has been successful, and 38% considered it unsuccessful. Notably, only 9% of LPAs (a fall of 5% since the last survey) and 15% of Applicants (a fall of 11% since the last survey) responded positively towards the likely effectiveness of the approach towards affordable housing delivery.

In other areas, responses were positive. For example, respondents' confidence in the delivery of retail space and leisure space has improved amongst both LPAs and Applicants from the last survey. Commercial space (a new sector in this survey) shows the highest levels of confidence (50% of LPAs and 49% of Applicants answering positively).

It is however notable that the survey indicates that Applicants based in London have greater confidence in the Government's overall approach than those based outside of the Capital. This potentially represents the respondents' reflections of the role of the Greater London Authority – perhaps with the new Mayor in Manchester, we may see confidence improve there in years to come.



Confidence in Government Approach Approach for housing delivery better or worse



Q2 In your view, has the Government's approach to planning made housing delivery better or worse in the last 12 months?
Base: 162 Applicants, 165 LPAs

End to End Process – Areas of Focus

When asked to think about what improvements would have the greatest impact on the overall process, both LPAs and Applicants ranked the pre-application process and post-submission as areas to focus on most (in contrast to validation, committee process and post-determination periods). LPAs believe that improving the 'determination to implementation process' would have a greater impact than Applicants (24% ranking as 1st compared to 7%).

Pre-application discussions

Little is really understood about the largely confidential and unrecorded pre-application process which tends to vary in scope of service and quality between planning authorities.

Responses received suggest that the average length of time that Applicants believe that the pre-application discussions are taking 6 months (compared to an estimate of 4.5 months by local authority respondents). This included a regional range of approximately 4.5 months in the north of England to over 7 months in the south-east. Clearly, the pre-application period is important – particularly to the determining authority - 79% of LPAs and 38% of Applicants believed that the pre-application process is 'extremely or very useful'. Most point to the benefit of giving guidance to issues that need addressing early on in the process.

Both parties agree that the pre-application discussion ensures that the appropriate content is submitted with an application (88% of LPAs and 71% of Applicants agreeing). However, the Applicants group are significantly less likely to agree that the pre-application discussions

'speed up determination of applications' (32% agreeing compared to 86% of LPAs). This is clearly an area to consider in more detail.

With regard to charging for the pre-application discussion, there is no clear trend and overall LPAs are just as likely to opt for a fixed fee, as they are a specific charge (41% and 43% respectively). Only 10% of LPAs that responded (all based outside of London) do not make any charge. That said, both parties do not agree whether the pre-application process offers 'good value for money' (18% of applicants, and 80% LPAs agreeing with this statement respectively). Again, something to look at improving here.

Planning Performance Agreements

On balance, LPAs are positively disposed towards the impact of PPAs. The Survey tested the stated intentions of the Government in promoting PPA use (as set out in the NPPG). Over half of LPA respondents (57%) believe that PPAs have led to a better-quality planning application submission; and 48% believe that they have helped speed up planning applications. Over half of LPA respondents (53%) believe that PPAs have '*assisted with securing specialist advisory services otherwise not available within the authority*' (i.e. *viability assessments*), which applicants tend to agree with.

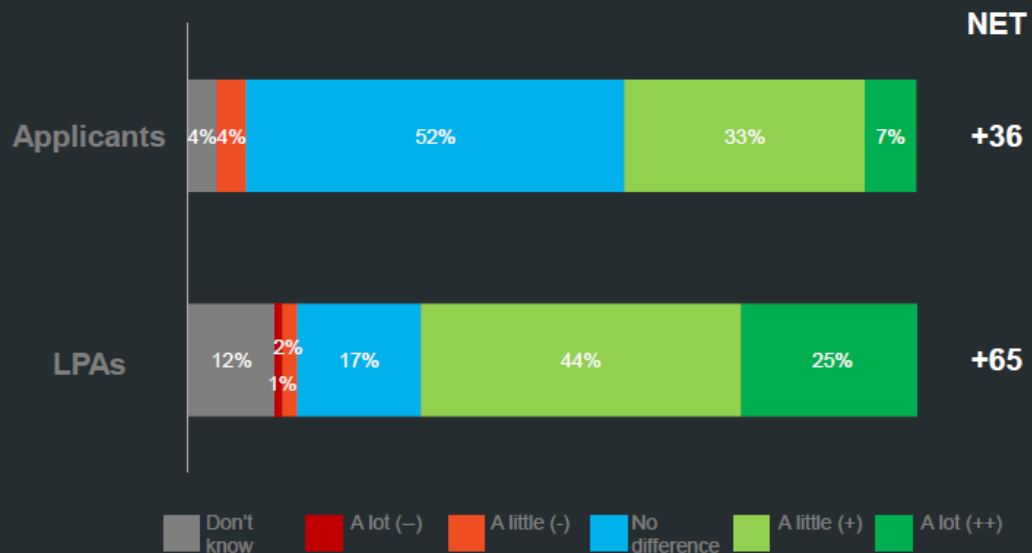
However, Applicants are less positive towards the impact of PPAs. Only 21% believe that PPAs have improved the quality of developments (compared to 44% of LPAs), and 29% that they have 'led to a better-quality planning application submission' (compared to 57% of LPAs). So further thought around how to improve the PPA for all concerned is needed.

Planning Application Fees

Prior to the increase in national planning fees on 17th January 2018, whilst 43% of Applicants felt that planning application fees are appropriate (though notably 44% said they were not) this is not a view shared by LPAs, where only 13% felt that fees were appropriate. Both LPAs and Applicants believed that the new fee rates will have a positive impact on resourcing planning departments.

There is a significant difference in opinion when asked whether LPAs should be allowed to set fees locally as opposed to the national rate that exists. 71% of LPAs would welcome more autonomy, whilst only 36% of Applicants feel this would be a positive step. Interestingly, 50% of Applicants in the Capital were more likely to want LPAs to be able to set fees locally compared to 29% of those based outside of London. Further debate needed then, but perhaps this is an area for improvement.

Focus on Management of Application Process Impact on resource due to new fee rates



Q17 How much impact do you think the new fee rates will have on resourcing planning departments? /How much impact will the new fee rates have on resourcing your planning department?
Base: 162 Applicants, 165 LPAs

Validation Process

LPAs and Applicants have different views on the level of material that is required to be submitted with major planning applications. Whilst 57% of LPAs feel it is 'about right', only 33% of Applicants share this view, with 62% answering 'too much' (compared to 28% of LPAs).

This frustration may reflect the clarity demanded by the validation process. Whilst 85% of LPAs feel there is a clear validation list, only 39% of Applicants believe this is the case.

When LPAs and Applicants are asked to assess the type of information required during the validation process, there are some significant differences in opinion. Most notably, 'Environmental Matters' are a bone of contention with 51% of Applicants saying that less information should be required compared to 18% of LPAs. Notably, 25% of LPAs feel that more environmental information should be supplied. This public-sector desire for additional information increases to 42% for design-related submission material.

The Determination Process

More than half (55%) of LPAs support applicants engaging with their planning committee. Approximately half of these LPAs have a formal process and half accept engagement informally. From an applicants' perspective, three quarters of respondents wish to engage with the planning committee prior to the formal Planning Committee - with the majority of applicant preferring this to be an informal engagement.

Notably, an area where both LPAs and Applicants agree is that there should be a greater level of delegated authority for planning officers (54% and 73% agreeing respectively).

Given the broad consensus, perhaps this is an area to work on together and incorporate into best practice.



Post Determination Process

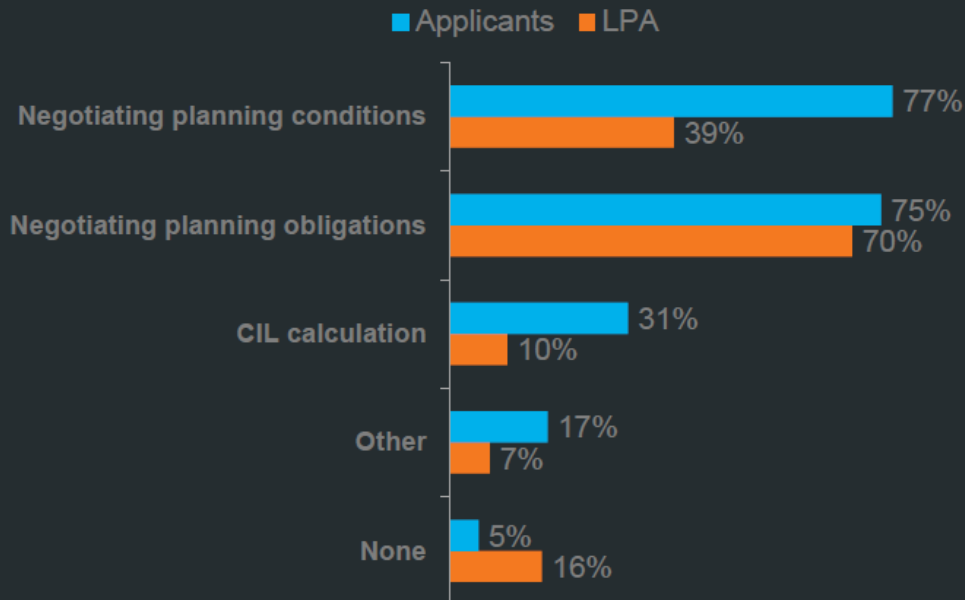
LPAs and Applicants are in clear agreement that improving the negotiating process of planning obligations would speed up the implementation of planning permissions (70% and 75% respectively).

Furthermore, more than three quarters (77%) of Applicants believe that a particular area for improvement was the negotiation of planning conditions, though LPAs were less inclined to agree (39%).

By way of comparison, few respondents felt that further changes to CIL Calculation would speed up the process.

With such a disparity in the answers, further discussion on this point is surely need to 'close the gap' between applicants and LPAs.

Post Planning Committee Process to Determination Areas for improvement to speed up implementation



Q27 Thinking about the post planning committee process to determination are there particular areas of improvement for common activities in this part of the process that could speed up the implementation of planning permissions?
Base: 162 Applicants, 165 LPAs

Workshops feedback

The survey results were subsequently presented to a cross-section of BPF and Planning Officer Society members at two roundtable discussions. A work-shop was also undertaken by GL Hearn's national planning team. Conversations focused on the areas of the development management process outlines above and where respondents felt that most change could be affected. Ideas and themes which emerged are summarised below.

All agreed that the process is a predominantly two-party relationship (acknowledging the need for wider consultation) and both parties need to improve. Areas of frustration on both sides included the increasingly technical aspects of sunlight/daylight and development viability analysis.

There is an on-going desire for LPAs to share best practice / knowledge through an umbrella organisation from POS, PAS, Public Practice and the BPF.

It was also acknowledged that the private sector is less likely to share best practice and therefore further national guidance may be required around the expectations of a good quality submission process.

There remains to be broad support for the use of Planning Performance Agreements as an informal tool to coordinate the end to end process (or specific periods of focus) but scepticism remains as to whether this leads to better decisions, particularly when these are taken out of officers' hands (i.e. at planning committee).

Further detailed suggestions promoted by participants are below:

Pre-submission process

- The development industry is open to increased fees for faster development management service;
- Early engagement with planning committees as part of the pre-application process to get feedback on the proposed development and de-risk the formal application;
- Earlier debate / discussion of standardised conditions could reduce amount of Case Officer time and the length of the overall process. Areas for potential conditions should be highlighted by the applicant at planning application submission and should benefit from specific conversations pre-determination;
- Require detailed draft S106 Legal Agreement Heads of Terms to be included at point of submission – and made available for consultation as part of submission material;
- Further focus on the quality and extent of planning application submission material. Both parties do not want to prepare / receive inappropriately scoped proposed development descriptions or impact analysis. The ability to agree a more bespoke scope of an application submission is encouraged by all; and
- Validation self-certification (with time-based or other penalties for invalid submissions) or Accredited Agent status to fast-track validation with LPA. LPAs were split between the benefits of promoting an in-house validation team vs case officer administration.

Determination process

- More frequent communication between applicant and LPA - weekly automatic email from LPA to applicants to confirm what stage the application is in the process (site notices placed, consultations issued / received etc.);
- A cut off point for consultation comments to be taken into account – often late comments delay applications (particularly from other Local Authority Departments/public sector bodies);
- Wherever possible, maintaining a consistency between officers present through the pre-application process through to determination – to aide consistency of advice and increased trust between applicant and LPA;
- The development industry is open to increased fees for faster (not necessarily more certain) development management service.

Best practice summary

One participant said: “we should share best practice - what is the Gold standard?” As such, in an attempt to distil the key points raised by participants and to start a debate, below is a list of ten key points that could reflect best practice in the development management process for major applications:

- All planning authorities to charge for a comprehensive pre-application service. This would respond to the view that: “If you don’t pay Pre-App fees you don’t get enhanced service with the planning application, we don’t mind spending to get the service.” Also, that “Pre-apps are useful as they ensure key issue of local authorities are addressed” and “Pre-apps are there to de-risk the project” [for both parties].
- Flexibility provided to LPA to set application fees and ensuring the fees are allocated to the planning department, aiding resourcing. This responds to the widely shared view in the private sector view that “Determination times are determined by resource”. An increased pre-application fee could also facilitate faster pre-application service (Some authorities such as LB Barnet already provide this, and it works well;”;
- PPA to be in place from early on in the process, securing a dedicated suite of officers to engage with the applicant – fees to be charged accordingly (but in a transparent way) – “Direct access to officers makes a massive difference.”;
- Officers (and applicants) to remain consistent throughout the process as far as possible – enabling trust to be established, issues to be understood and resolved, and not revisited;
- Planning committees to hold informal ‘without prejudice’ briefings from applicants and officers – enabling early feedback – de-risking the formal application;
- Validation requirements to be agreed at an early stage, and to be binding;
- Accredited Agent status to be awarded to suitable agents to fast-track validation at LPA;
- Standardised conditions at point of submission. List of conditions to be made available to applicants to select those that would be relevant/agreed upfront - this could reduce amount of Case Officer time both in drafting/selecting conditions but also in the subsequent applications to discharge conditions. This responds to the views that “At the outset have open discussion on conditions as list can be overly long” and “Conditions take a lot of time; do we really need all of them - there is another planning process with conditions”;
- Encourage draft S106 Heads of Terms to be included at point of submission. Local Authorities to share standard wording in the pre-application stage with the onus on the applicant to amend and submit with the application – saving delays in issuing a decision notice post resolution to grant permission;
- Utilise an automated consultation process and use other technologies. A key benefit could be a weekly automatic email to applicants to confirm the progress of their application, identifying consultation responses received/expected etc- reducing the need for applicants to ‘chase’ officers – “An automated email once a week on what stage application is in the process”
- A cut off point where consultations responses are no longer accepted by officers – maintaining momentum in the determination process.

Final Thoughts

There is an on-going concern regarding the potential effectiveness of the Government's policies in delivering the necessary development – particularly in respect of much needed housing and affordable housing. Within this context both applicants and LPAs have been asked through the survey to highlight particular areas of challenge and best practice so to inform future planning system reviews. The aim is to implement small changes at a local level that could speed up delivery and improve decision making overall.

The two areas therefore of particular focus for 2019 and beyond are driving towards more effective communications between all parties within the determination process. Advances in technology allow for this but the planning industry remains behind the curve. Secondly, more emphasis needs to be placed upon building collaborative working relationships within the decision-making process. This in part relates to more effective communications, a more transparent process of negotiation, and a greater autonomy for officers to make decisions. Greater emphasis should be placed upon earlier position statements in respect of policy interpretation; anticipated planning obligations and conditions, as well as more transparent positions around commercial and financial viability.

Round table discussions clearly indicate that there are many practical improvements (small and larger scale) that could be made to make the system more efficient and effective for all parties. A more comprehensive review of current best practice would surely tease out additional ideas. These can be shaped further through organisations such as the Planning Officers Society, the Planning Advisory Service and the British Property Federation alongside the Government to further refine a process which is not broken but could clearly benefit from a further injection of innovation in a fast-moving world.

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