Agenda 13d)

Milly Southworth

F+0 30/06/25

From:

Nic Phillips <Nic.Phillips@cornwall.gov.uk> on behalf of positiveplanning

<positiveplanning@cornwall.gov.uk>

Sent:

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Cc:

Stephen Foster; positiveplanning

Subject:

Current planning consultations - Briefing Note - June 2025

Attachments:

Current planning consultations - Briefing Note June 2025.pdf

Information Classification: PUBLIC

Dear Clerks

As mentioned at this afternoon's Local Council planning essentials training, the pace of planning reform continues to build. There are a number of consultations on changes to planning, that will be introduced in advance of plan-making reforms. These include papers covering:

- Reform of planning committees
- · Speeding up build out of new homes and
- Biodiversity net gain

Each of the proposals will have an impact and our Planning Policy Team have produced a short briefing paper (attached) on the proposals and some thoughts on how they will affect planning in Cornwall. We will be drafting a response to each of the relevant consultations, but you are encouraged to make your own comments.

Please contact localplan@cornwall.gov.uk if you have any questions.

Kind regards

Nic Phillips (she/her) | Senior Development Officer (Specialist)

Cornwall Council | Planning and Housing Service

nic.phillips@cornwall.gov.uk Tel: 01872 322222 (and say my name) Mobile: 07599 112099

www.cornwall.gov.uk 'Onen hag oll'

Please note that I work part-time. My normal working days are Tuesdays, Wednesdays, Thursdays.

To keep up-to-date with changes in Planning, please check <u>Planning and Building Control - Cornwall</u> Council and What's new in planning - Cornwall Council

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Government Planning Consultations and Working papers

There have been a series of five documents published over the last week by Government. Some are badged as consultations and some are called working papers, but they amount to the same thing practically in terms of giving an indication of the government's direction of travel, with an opportunity for us to comment or prepare for any potential changes.

Most of them inter-relate to each other. The very highest-level summary is that the proposals include reducing the scope of applications that can be determined by committees and introduce a new category of medium developments (between 10 and 50 houses) instead of the current distinction between minor and major applications at 10 homes. This new category links across to proposed reduced requirements for biodiversity net gain on minor and (the new) medium category sites. There are further proposals around sanctions for developers that don't build out consented sites.

We also expect further changes to the National Planning Policy Framework in the summer following the publication of national development management policies, which we anticipate to potentially narrow its scope to focus more on rules and expectations around the preparation of local plans.

Take aways:

- The Government are proposing what would be significant changes to the types of schemes that are allowed to go to committee, meaning that all minor applications i.e. for less than 9 dwellings would not go to committee. For context, in 2024:
 - Our delegation rates were approximately 98%
 - 95% of our decisions in that period were aligned with Town or Parish Council views
 - 155 major applications were validated by the Council
 - o 105 applications went to committee, and 22 of these were majors.
- Should we no longer be able to take minor applications to committee we would need
 to consider the number of planning committees that are required. However, this is still
 only a consultation and will take some time to come into force if enacted so we should
 respond and prepare but also acknowledge that the current regime will apply for much
 of the coming year.
- The Government are proposing new categories of development sizes by changing the current minor/major delineation of 10 homes or more to a minor/medium/major delineation of 9 or less/10 – 49/and 50 or more. This is generally felt to make sense but has implications related to the changes to committee thresholds and also Biodiversity Net Gain (BNG) requirements.

We will engage with colleagues and members in order to draft responses. Relevant links to documents can be found at the end of this document in Appendix 1.

The proposals:

Planning committees

The Planning and Infrastructure Bill included:

- a new power for the Secretary of State to set out which planning functions should be delegated to planning officers for a decision and which should instead go to a planning committee or sub-committee;
- a new power for the Secretary of State to control the size and composition of planning committees; and
- a new requirement for members of planning committees to be trained, and certified, in key elements of planning.

This is the latest in a series of reports and consultations on committee structures. These proposals link to the work on reforming site thresholds because of the introduction of the new medium category of development for sites between 10 and 50 homes.

The detailed proposals can be summarised as:

- Tier A proposals (minor sites less than 9 dwellings and minor issues etc) would have to be delegated and cannot be taken to committee.
- Tier B (those not in tier A, or any application for planning permission where the applicant
 is the local authority, a councillor or officer, Section 73 applications to vary conditions
 and Review of mineral planning conditions). Tier B applications will normally expected to
 be delegated unless the Chief Planner and Chair of Committee agree it should go to
 Committee based on a gateway test
- A member will need to have some form of training certification before they make committee decisions.
- The maximum size of a planning committee is to be 11 members.

The key implications of the proposals:

- Minor (tier A) applications (anything less than 9 homes) cannot go to committee
- the presumption is that majors would not go to committee but that would be subject to a gateway test with the chair of committee and the Chief Planning Officer.
- It would further reduce the numbers of applications going to our committees.

The Government suggest that one intended consequence is that it will free up capacity for members to focus on policy setting.

Reforming site thresholds

This paper explores the idea of creating a new category of medium residential development which could cover developments between 10 and 50 dwellings. The stated aim is to remove and streamline requirements on small and medium sites and strengthen requirements on major sites. This is aiming to ensure that planning is targeted and proportionate and helps small and medium enterprise builders (SMEs) to deliver homes. This recognises the contribution SMEs can make to meeting housing need by delivering large numbers of smaller sites (which are often less than 50 houses). However, the number of SMEs active in construction have been in decline for some time and the planning system has been cited as one area that stifles the growth of the sector, through uncertainty and timescales associated with securing contributions (including the BNG small sites requirement — the subject of a another of this set of consultation documents), increased complexity and delivery costs of developing small sites.

In order to broaden choice, the current minor and major categories would be amended to form three new planning thresholds. Each would have a different approach to the provision of infrastructure, financial contributions etc.

The new thresholds are proposed as:

- very small sites less than 0.1 ha
- minor will be taken to be anything which does not fall within either medium or major definitions (i.e. sites under 10 dwellings or less than 0.5ha if no number is known)
- medium where the number of dwellings to be provided is between 10 and 49; and the site is less than 1 hectare (and if there is no known number of dwellings, the site is between 0.5 and 1 hectares)
- major where the number of dwellings to be provided is 50 or more or the site is more than 1 hectare

This is summarised in the following table:

	Determination	Affordable	Building	Delegated	BNG	Reduced
	Period	housing	safety	Decision?	required?	validation?
	(weeks)	required?	levy?			
Small	8	No ¹	No	Yes	No ²	yes
Medium	13	Yes	No ³	Yes ⁴	simplified	minimised
Major	13	Yes	Yes	Yes ⁴	Yes	streamlined

¹ Except for Designated Rural Area applications that would continue to make a contribution in lieu of affordable housing provision on site

² to be subject to consultation later this year

³ Subject to a separate consultation

⁴ Delegation of some medium and major development types subject to separate consultation

The proposals also include:

- Minimising validation and statutory information requirements to simplify and reduce the paperwork involved in making a planning application.
- Increased scope for 'permission in principle' applications, including in the 10 50 dwellings category.
- A range of options are also set out for setting a threshold of development size where
 mixed tenure development is required as it should apply to help improve build out and
 sale times.
- More land and financing options for SMEs: Homes England will release more of its land exclusively to SMEs, and a new National Housing Delivery Fund to be confirmed at the spending review will support long-term finance options, such as revolving credit facilities and lending alliances.
- A new pilot to unlock small sites for SMEs: the Small Sites Aggregator will bring together small brownfield sites that would otherwise not have been developed, and attract private investment to build new social rent homes and address temporary accommodation challenges. Building on a model developed by Lloyds Banking Group's Social Housing Initiative, the Small Sites Aggregator will be trialled this year with input from Bristol, Sheffield and the London Borough of Lewisham and with the support of their regional authorities. This will help tackle the housing shortage, address unviable small plots of land, and create local jobs supporting the government's Plan for Change.

Biodiversity Net Gain changes

Minor development classes became subject to BNG requirements from 2nd April 2024. This has presented reported challenges to minor developments of:

- 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.

The deadline for the consultation response is 24th July 2025 and we will prepare a draft response for consideration in advance of that date.

A number of options are set out for potentially resolving issues that arise from current exemptions, including:

Options to amend exemptions from BNG on small sites:

 Option 1 - Removing the existing exemptions for self and custom build development and replacing it with an exemption for all single dwellings;

- Option 2 Amending the scale of development that falls below the 'de minimis' threshold. This tests options for a higher de minimis threshold so more minor development would be exempt in practice (recognising that very small scales of development struggle to make adequate BNG provision on such small sites); or
- Option 3 A full exemption for all minor developments, which would remove the
 existing exemption for self and custom build development. The 'de minimis' exemption
 (potentially with a higher threshold) would remain to capture other developments which
 have no or little impact on habitats.
- A partial exemption would apply to development within all parks, public gardens, playing fields and sporting grounds provided there is no substantive change to the existing use of land (for example that it remains a playfield or sports pitch).
- Development whose sole or primary objective is to conserve or enhance biodiversity would be exempted.

Further changes to the small sites metric to simplify its use and improve clarity of how BNG should be calculated and reported. These changes include:

- Extending its use to cover the new medium scale development class.
- Removal of the trading rules to help provide flexibility of how habitat is created
- Allowing small sites to utilise off-site BNG provision recognising that it may be difficult
 to provide effective spaces on small sites.
- Simplifying and amalgamating small site habitats to make it simpler to use and more widely understood.

The government is also working on standardised digital metrics and tools to ensure consistency in how BNG is measured. Additional support proposed includes training, digital tools, and funding support.

Biodiversity Net Gain and Nationally Significant Infrastructure Projects

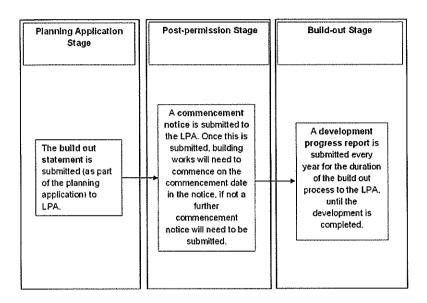
There is a further paper on BNG requirements in relation to Nationally Significant Infrastructure Projects (NSIPs). The proposal is that from May 2026, BNG will be applied to NSIPs such as large transport and energy projects. Whilst these sorts of applications are very rare in Cornwall and we do not intend to respond formally to the paper, the Cornish Lithium proposals have been registered as an NSIP.

Speeding up build out

There are currently over 26,000 units with consent which are not built in Cornwall – and approx. 10% of these are in construction at present. This is frustrating but also important to see in the context of annual targets of 4,421 homes per year, and the practical lead in times to development after grant of consent which are often 1 to 2 years on anything other than the smallest sites.

New powers would be introduced to force developers to commit to delivery timeframes before being given permission. These proposed powers include a requirement for developers of sites of more than 50 homes to inform the Local Planning Authority that they have commenced and to report on annual building progress against meeting their target build rate. Failure to do so could result in completion notices, a 'delayed homes penalty', refusal to accept further planning applications or exceptionally compulsory purchase of sites.

The proposed process is illustrated in this diagram:



More detailed proposals set out lessons on making homes easier to build out, encourage a range of types and tenures of housing, increase affordable housing in schemes of more than 2,000 homes (rare in Cornwall) and build out by small and medium enterprise.

Slow build out is of great frustration to communities that rightly expect homes, infrastructure and services that have been promised as part of a planning approval to be delivered as quickly as possible. Developers are responsive to commercial incentives and build out homes at a rate that is beneficial to their business and reflective of the wider economic environment. But there are a number of reasons that sites are not brought forward and these include contractual reasons, problems in discharging conditions or legal agreements, viability or due to ability of the local market to absorb additional new housing.

Whilst punitive measures against developers have caught the headlines, there are a number of different measures proposed by Government to ensure that consented schemes are delivered. There are a relatively small number of truly 'stalled' sites in Cornwall and we already work to unblock their delivery wherever possible, including the use of accelerator funding from Government. Further measures and funding to assist in unlocking delivery would be welcomed.

Improving transparency and securing delivery

- More land and financing options for SMEs: Homes England will release more of its land exclusively to SMEs, and a new National Housing Delivery Fund to be confirmed at the spending review will support long-term finance options, such as revolving credit facilities and lending alliances.
- A new pilot to unlock small sites for SMEs: the Small Sites Aggregator will bring together small brownfield sites that would otherwise not have been developed, and attract private investment to build new social rent homes and address temporary accommodation challenges. Building on a model developed by Lloyds Banking Group's Social Housing Initiative, the Small Sites Aggregator will be trialled this year with input from Bristol, Sheffield and the London Borough of Lewisham and with the support of their regional authorities. This will help tackle the housing shortage, address unviable small plots of land, and create local jobs supporting the government's Plan for Change. This appears to be linked to a scheme in Bristol but there is little detail at this stage.
- Separately to the technical consultation, the associated working paper includes
 proposals to rescind applications or permit the compulsory acquisition of sites if not
 built out. Whilst we welcome the intent of this, the compulsory acquisition of sites is
 likely to require significant financial resource to see through in terms of the site costs
 themselves, but also the legal and professional fees involved, and the ability to cash
 flow onward delivery or find alternative developers so is likely to be used only in
 extremis.

Planning and Housing Service

June 2025

Appendix 1

The consultations and related papers (and links)

Planning Committees:

Reform of planning committees (technical consultation):
 https://www.gov.uk/government/consultations/reform-of-planning-committees-technical-consultation

Planning Reform Working papers:

- Speeding up build out: https://www.gov.uk/government/publications/planning-reform-working-paper-speeding-up-build-out (which sets out the Government's overall strategy) and the associated technical consultation on increasing transparency:
 https://www.gov.uk/government/consultations/implementing-measures-to-improve-build-out-transparency-technical-consultation
- Reforming site thresholds: https://www.gov.uk/government/publications/planning-reform-working-paper-reforming-site-thresholds

Biodiversity net gain

- Improving the implementation of BNG for minor, medium and brownfield development: https://www.gov.uk/government/consultations/improving-the-implementation-of-biodiversity-net-gain-for-minor-medium-and-brownfield-development
- BNG for NSIPs: https://www.gov.uk/government/consultations/biodiversity-net-gain-for-nationally-significant-infrastructure-projects

Other:

- Major reservoirs programme (not Cornwall): <u>Government steps in to build first major</u> reservoirs in 30 years <u>GOV.UK</u>
- Improving flood resilience in Mousehole GOV.UK we are already involved in this to facilitate planning consent for related matters.

Document	Type of response	Deadline
Reform of planning	Technical consultation	27 th July 2025
committees		
Speeding up build out	Working paper	7 th July 2025
Improving transparency	Technical consultation	7th July 2025
Site thresholds	Working paper	9 th July 2025
BNG changes related to site	Consultation	24 th July 2025
size		
BNG changes related to	Consultation	24 th July 2025
NSIPs		