



Annual planning update NPPF reform & development management reform; the City of London's 'Destination City' programme; Biodiversity Net Gain; building new homes

Account of Forum meeting on Tuesday 21 March 2023
Minute by Riette Oosthuizen of HTA Design also at
planninginlondon.com > LP&DF

Cambridge University Land Society (CULS)
joint event with LP&DF & ACA
Annual Planning Update
21 March 2023, 2pm

New NPPF, New Development Management
Guidance, more homes and BNG

Opening

Brian Waters

- Chaired the London Planning & Development Forum since 1990 when it was called the London Development Control Forum
- The London Development Control Forum was a consequence of the Dobry Report (late 1980s) which was an all-party investigation into the failures of development control.
- It set up the National Planning Forum and Regional Development Control fora and the one for London continues today and aims to bring public and private sector thinking closer.
- The team includes:
 - Jonathan Manns (co-chair), Riette Oosthuizen from HTA (Planning Partner) and James Mitchell (Axiom Architects)

CULS is the oldest and largest alumni organization at Cambridge University. CULS supports current students. New president Dan Nicholson runs Great Portland Estate.

This event is associated with the Association of Consultant Architects - President Patrick Inglis - *Planning in London* magazine (Brian Waters publishes this with Lee Mallett and Paul Finch)

- Joanna Averley sent apologies due to illness but highlighted the two consultations on Infrastructure Levy and Environmental Outcomes, launching Friday 24th March in her message.
- 'Watch this space' was Joanna Averley's message last year but what has been happening since then?
- In December 2022, the Department of Levelling-Up (DLUHC) announced a consultation on the new NPPF, and a consultation on reform of development management. The deadline for the consultation was early March 2023 with implementation in April 2023.
- There is scepticism among many in the sector/industry about how much will change as a result of the consultation, but the DLUHC is promising the process of reviewing comments will continue.



- Paul Finch said if Gov't forced bakers to give away half a loaf of bread for free for every loaf sold you would have bread queues and that is what we have in housing at the moment.
- Affordable housing does not tax profit, it is a tax on housing.
- At the moment there is a need for viability consultants and more viability consultants to check them. The idea of taxing the end output makes sense if it is recognized it is a tax on profit but is tricky in terms of 'right to require' in terms of number of properties to become affordable. How do you reconcile this?

Michele Vas, Partner, Dentons

Overview

- It has been quite a year for planning with Government announcements on proposed reforms to planning coming in at a phenomenal rate. The narrative to support the proposed reforms are:
 - help kick-start the economy in a post-Covid world - boost and speed-up housing delivery;

Meeting held on Tuesday 21 March 2023 hosted by Dentons

Moderator

Brian Waters (BW)

Attendees

Mike Adams
Director, Adams Infrastructure Planning Ltd
James Artingstall
Graduate Planner, Tetra Tech
Michael Brodtman
Director, Grainger Pic
Nicole Cameron
Senior Associate, Cripps LLP
Andrew Catto

Andrew Catto Architects
Rebecca Crosdil
Senior Associate, Cripps LLP
Joshua Dickenson
Associate Director, Deloitte LLP
Michael Edwards
Honorary Professor, Bartlett School, UCL
Jessica Ferm
Associate Professor
Planning and Urban Economies, UCL
Chris Francis
Director, West & Partners
Bairun Huang

Student, University of Cambridge
Patrick Inglis
President, ACA
Edward Jones
Graduate Planner
Barton Willmore now Stantec
Fiona Jones
Director, Cameron Jones Planning Ltd
Fiona Jones
Group Secretary, CULS Whitehall Group
Kevin Jones
Director, Cameron Jones Planning Ltd
Yasmin Khan-Osborne



- to address regional disparities;
- to empower local authorities and communities - regenerate their local areas; and
- to provide a stronger framework for protecting and enhancing the environment.
- Other key themes in the Levelling-up and Regeneration Bill and the NPPF reforms include:
 - Building housing in the right places more quickly;
 - Greater say at a local level on what new development should look like, and where it will go with an emphasis on the role neighbourhood planning and local community engagement in planning for development;
 - Emphasis on building beautiful and better designed developments, particularly in relation to long term sustainability of development and with the aim that local communities will be more accepting of new development where designs are high quality and respectful of their surroundings;
 - Stronger emphasis on protecting and enhancing the environment, natural landscapes, heritage assets, and tackling climate change;
 - As a result of the Ukraine invasion, more policies around promoting energy sustainability are introduced;
 - Introduction of national development management policies with the aim to simplify the preparation of local plans.
- Further announcements have been made in the past few days and months; these include:
 - A consultation on Infrastructure Levy;
 - Environment improvement plan, which is the Government's 25 year plan for setting out how it is going to work with landowners, businesses and local communities to deliver on its 10 goals for improving the environment;
 - The consultation paper on the Environmental Outcomes Report, which is to replace the existing EIA and SEA assessment schemes;
 - Reforms to the NSIP process;
 - Law Commission will review the CPO legislation



Cambridge University Land Society

Annual Planning Up-Date
2pm Tuesday 21st March 2023
 At Dentons, One Fleet Place EC4M 7RA

TIMINGS v.2

New NPPF, new development management guidance; more homes and BNG

<p>2.05 WELCOME: Brian Waters</p> <p>2.10 KEYNOTE The government chief planning officer Joanna Averley & Q&A</p> <p>2.40 OVERVIEW Michele Vas, Partner, Dentons</p> <p>2.50 NPPF REFORM & DEVELOPMENT MANAGEMENT REFORM Jennie Baker, Associate Director with Lichfields Dr Daniel Slade Policy Manager at the RTPi Félicie Krikler, Director at Assael Architecture, Adam Fothergill, Associate director at Assael Q&A</p> <p>3.40 THE CITY OF LONDON'S 'DESTINATION CITY' PROGRAMME Alastair Moss Chair, Corporate Services Committee, Deputy Chair, Planning & Transportation Committee</p> <p>4.00 BIODIVERSITY NET GAIN - an update from Dr Nick White, head of BNG at Natural England</p>	<p>4.10 Q&A</p> <p>4.25TEA.....</p> <p>4.40 BUILDING NEW HOMES Sam Stafford, Planning Director at the HBF Anthony Breach, Senior Analyst Centre for Cities, Peter Bill co-author Public Rental Homes Dr Nicholas Falk Community-Led Housing: why not? Rachel Ferguson, senior development manager at Pocket Living</p> <p>5.30 PANEL DISCUSSION with Q&A Sanmi Adegoke CEO Rehoboth Property International, Dr Riette Oosthuizen head of planning at HTA Design, Michele Vas Dentons, James Mitchell Partner Axiom Architects and speakers – Moderator: Lee Mallett</p> <p>5.50 THE WIND-UP Lee Mallett</p> <p>6.00 NETWORKING & DRINKS courtesy of Dentons</p>
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Brydell Partners
 Dickson Lam
 Investment Associate, Mirae Asset
 Talia Levene
 Ariel Levy
 Co-Founder, Gen Two Real Estate
 Claire Linfoot McLean
 Managing Director
 Linfoot Country Homes Ltd
 Jacobus Lombard
 Principal, Deon Lombard Architects
 Cameron McFadyen
 Graduate Planner, Tetra Tech
 Daniel Mendelson
 Student, University of Cambridge
 Arita Morris

Director, Child Graddon Lewis
 Richard Morton
 Director, Richard Morton Architects Ltd
 Tony Mulhall
 Senior Specialist, Land, RICS
 Erik Ruane
 Director, Real Estate Business Consulting Services Ltd
 Roger Schofeld
 Partner
 Freshfields Bruckhaus Deringer LLP
 Leo Shapland
 Executive Director, Workspace
 Mark Sivolap
 Dan Slavinsky
 Associate Director, AStudio

Peter Stewart
 Board Director
 The Townscape Consultancy
 Richard Tufnell
 Partner, Commercial Management Ilchester Estates
 Tatiana von Pressen
 Director, VPPR Architects
 Brian Waters
 Principal
 The Boisot Waters Cohen Partnership
 Myriam Waters
 Mark Willingale
 Principal, Willingale Associates

>>>

>>> and assessment of compensation (report expected in three years' time).

- Reforms at this rate and scale put pressure on resources at local authority level; 44 local authorities have put their local plans on hold pending the outcomes of the NPPF review which will have a considerable impact on 5-year land housing supply and the 10 per cent Biodiversity Net Gain target coming into force in November.
- Other reforms around environmental protection, community engagement and design codes require technical expertise which are not currently resourced and hence will cause delays.

Infrastructure Levy

- A workable development land tax has evaded successive governments for ages. In the mid-noughties, the Barker Review recommended the introduction of Planning-gain Supplement (PGS), which was a treasury-based levy collected centrally but on the basis that revenues would be recycled back by retaining the link between developer contributions and local planning permissions.
- Then CIL was introduced. Despite the number of amendments to tweak it to work alongside S106, it is now largely understood by the development industry and does work.
- Despite PGS and CIL being promoted as the death of S106, S106 remains a mainstay to negotiate contributions.
- New proposed Infrastructure Levy will get rid of the need for S106 agreements, and therefore accelerate the consenting process. However, it is not likely to be implemented for another 10 years as the consultation process is long and technical. There is currently a lack of clarity on how it will work and it is unclear what exemptions there will be.
- What are the key elements of the levy?
 - It will be mandatory and non-negotiable.
 - Developers must take account of levy payments that are going to be made at the point of agreement of values for purchase.
 - Rates will be set by local authorities and based on the gross development value (GDV) or if developments are not sold then there will be a valuation of GDV at the point of completion.
 - There will be a minimum threshold below which rates will not apply and payments are based on internal area in sqm.
 - S106 is here to stay albeit now termed delivery agreements and it is expected that planning conditions would deal with much of the site-specific infrastructure.
 - Local authorities will be expected to set out strategic plans for infrastructure delivery and affordable housing need which will include health care, infrastructure and schools or childcare.
 - Affordable housing will be secured on a site through a right to require and is to be treated as

an in-kind provision.

- three stage payments: The calculation of an indicative levy is to be submitted at the point of submission of a planning application. Then post commencement but prior to occupation, scheme, or a phase, a provisional levy payment will be made with a final adjustment payment post-completion.
- Large elements of CIL will probably be replicated.
- Not clear whether Levy will increase or decrease funding gap.
- Not clear how affordable housing contributions will be protected and could be a potential area for dispute and consequently delaying provision.
- There is no negotiation to alter the timings for payments. This will have the ability to stall development as infrastructure provides certainty on the contribution payable so that it can be considered when assessing land values at the point of purchase.
- It is unclear how the infrastructure levy promotes levelling up as value varies in regions.
- The levy is subject to pilot schemes.

Environmental Outcomes Paper

- It is proposed that the current Environmental Impact Assessment (EIA) is replaced with an outcomes-based approach.
- Principle should be welcomed in terms of reducing the number of documents as part of producing an Environmental Statement (ES).
- Primary objective is to ensure that the environmental protection provided by existing environmental law is not to be reduced.
- Categorisation of development to be subject to an environmental outcomes report is going to be made clearer. The intention is to minimise the need for screening opinions.
- Assessment of reports will be against environmental outcomes which will be set in regulations.
- In conclusion - lots to digest.

Development Management and Reform

Jenny Baker, Lichfields

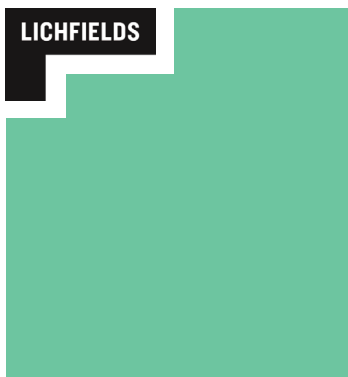
- Levelling Up and Regeneration Bill (LURB) is making its way through the House of Lords Committee Stage.
- The Government consultation on reforms - national planning policy has now closed.
- LURB and NPPF consultation - include design NDMPs.
- Key Elements - December consultation:
 - Quick amends to the NPPF;
 - Scope of potential future changes to NPPF;
 - Other policies and legislation that would be enabled by Royal Assent of LURB;
 - Includes reference to other topics, policy and related legislation such as Net Zero.
- Role of development plan
- Determinations would be made in accordance

with the development plan unless material considerations strongly suggest otherwise.

- The national development management policies (NDMPS) will be designated by SoS and can be modified or revoked by the SoS. Consultation on these policies will be required.
- Greater weight will be given to the development plan than is currently the case placing new national development management policies above other national policy.
- The following three guiding principles for drafting NDMPs are proposed:
 - Matters with direct bearing on determination of planning applications;
 - Limited to key, nationally important issues;
 - Solely addressing planning issues - not subjects regulated through other legislation.
- Government minded to retain scope for optional technical standards to be set by local authorities through plans so that LPAs can go above minimum set standards.
- Consultation on the first draft National Development Management Policies - follow LURB's Royal Assent.

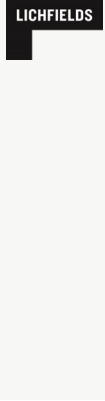
Design code status

- Design Codes will form part of the development plan, either within local plans or supplementary plans and will have the same weight as NDMPs unless they conflict with them.
- They will build on the existing frameworks in the National Design Guide, National Model Design Code, emphasis on design in the NPPF.
- Changes to NPPF are housing focused and address housing requirements, housing supply and build out, design and local design codes, and older people's housing. They also relate to the 'green belt', more beautiful homes and providing 'gentle density', and changes relating to food security and onshore wind.
- Reform - national planning policy objectives:
 - Building beautiful and refusing ugliness;
 - Securing the infrastructure needed - support development;
 - More democratic engagement with communities on local plans;
 - Better environmental outcomes;
 - Empowering communities - shape their neighbourhoods;
 - Deliver more homes in the right places with a focus on sustainability and integrated infrastructure.
- The primary means for LPAs - assess the design of developments should be through design codes.
- LPAs - include clear text in conditions - refer directly - plans "which provide visual clarity about the design of development, and are clear about the approved use of materials where appropriate".
- Draft NPPF makes further reference - beauty



Proposed Changes to National Planning Policy for Design Proposed National Development Management Policies

Cambridge University Land Society
Annual Planning Update
21 March 2023



Introduction

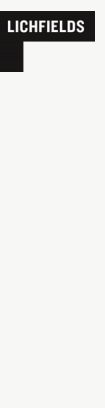
Levelling Up and Regeneration Bill (LURB) is at House of Lords Committee Stage

The Government consultation on reforms to national planning policy has now closed
LURB and NPPF consultation include design and NDMPs



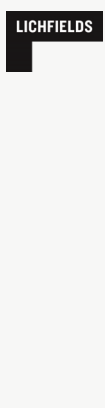
Key elements to December consultation:

1. Quick amends to the NPPF
2. Scope of potential future changes to NPPF
3. Other Policies and Legislation that would be enabled by Royal Assent of LURB
4. Includes reference to other topics, policy and related legislation



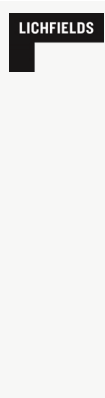
LURB: Role of the development plan

- Determinations would be made in accordance with the development plan and unless material considerations **strongly** indicate otherwise
- Greater weight being given to the development plan than is currently the case
- Placing new national development management policies above other national policy
- As with other changes proposed in the Bill, this amendment will not come into force in Wales



LURB: National Development Management Policies

- Policy designated as an NMDP by Secretary of State by direction
- Can be modified or revoke by SoS
- SoS must ensure "such consultation with, and participation by, the public or any bodies or persons (if any) as SoS thinks appropriate"



LURB: Clause 86

86 Role of development plan and national policy in England

(1) Section 38 of PCPA 2004 (development plan) is amended as follows.

(2) After subsection (5) insert—

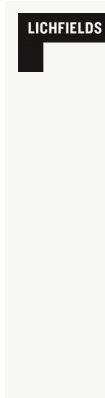
“(5A) For the purposes of any area in England, subsections (5B) and (5C) apply if, for the purposes of any determination to be made under the planning Acts, regard is to be had to—

(a) the development plan, and

(b) any national development management policies.

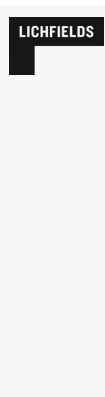
(5B) Subject to subsections (5) and (5C), the determination must be made in accordance with the development plan and any national development management policies, unless material considerations strongly indicate otherwise.

(5C) If to any extent the development plan conflicts with a national development management policy, the conflict must be resolved in favour of the national development management policy.”



LURB: NDMPS – proposed principles

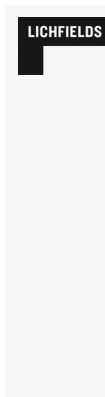
- Three guiding principles for drafting NDMPs are proposed:
 - matters with direct bearing on determination of planning applications
 - limited to key, nationally important issues commonly encountered
 - solely addressing planning issues - not subjects regulated through other legislation
- Government minded to retain scope for optional technical standards to be set locally through plans, where appropriate, so that LPAs can go above certain minima set through building standards
- Consultation on the first draft National Development Management Policies to follow LURB's Royal Assent



LURB: design code status

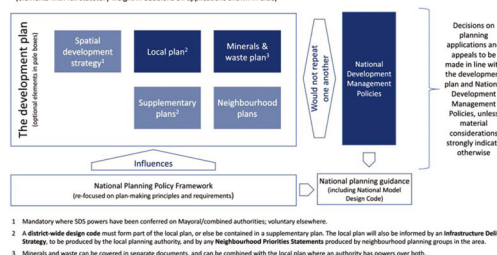
- Design Codes will form part of the development plan, either within the local plan or as supplementary plans
- They will have the same weight as NDMPs, unless in conflict with them
- Anticipated that a future consultation, perhaps on NDMPs, will include discussion on the new weight to be given to design codes
- Will build on the existing frameworks in the National Design Guide, National Model Design Code, emphasis on design in 2021 NPPF amends and documents published by the Office for Place this year

“58. The Government also agrees that design issues are very localised, and that is why locally set design codes, based on effective community engagement and reflecting local character and design preferences, will become integral to the new planning system. The Bill requires all local councils to produce local authority area-wide design codes, which will act as a framework for subsequent detailed design codes, prepared for specific areas or sites and led either by the local planning authority, neighbourhood planning groups or by developers as part of planning applications. This will help ensure good design is considered at all spatial scales. Consultation on the Government's plans for the new Planning System in England, June 2022 pilots.”



LURB: National Development Management Policies

The role of plans and national policy in the reformed system (elements with full statutory weight in decisions on applications shown in blue)



including in section 12 "Achieving well designed and beautiful places".

- The draft NPPF prioritises brownfield land and other underutilised urban sites in LPAs with an uplift, and on these sites densities should be optimized to promote the most efficient use of land.
- Brownfield sites in England only have the capaci-

ty to provide 31 per cent of housing need over the next 15 years.

- Plan for housing need (minus any over-delivery) and other uses, unless protected areas/assets restrict this. Impacts outweigh benefits, including "situations where meeting need in full would mean building at densities significantly out of

character with the existing area".

- Concern about what 'significantly out of character' means.
- Green Belt boundaries are not required to be reviewed if this would be the only means of meeting the objective for housing over the plan period.

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LICHFIELDS

NPPF proposed amends overview

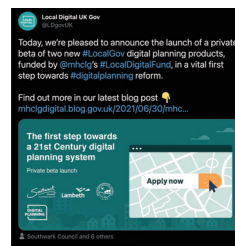
- Speedy changes to the NPPF - expected to be published fairly soon
- The majority of the proposed amends to the NPPF relate to housing, including:
 - Housing requirements
 - Housing supply and build out
 - **Design and Local Design Codes**
 - older peoples' housing
- Green Belt
- Promoting more beautiful homes, including through gentle density
- Changes relating to food security and onshore wind too



LICHFIELDS

Reforms to national planning policy: objectives

- Building beautiful and refusing ugliness
- Securing the infrastructure needed to support development
- More democratic engagement with communities on local plans
- Better environmental outcomes
- Empowering communities to shape their neighbourhoods
- Deliver more homes in the right places, supported by sustainable and integrated infrastructure for our communities and our economy



<https://twitter.com/LocalGovUK/status/1621106930164000000>

LICHFIELDS

Draft NPPF - Design

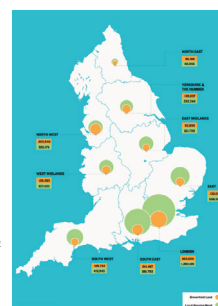
- The primary means for LPAs to assess and improve the design of development should be through the preparation and use of local design codes
- LPAs to include clear text in conditions to refer directly to plans "which provide visual clarity about the design of the development, and are clear about the approved use of materials where appropriate" to make enforcement easier
- Further references to beauty including in the title of section 12: "Achieving well-designed and beautiful places"



LICHFIELDS

Brownfield & Density – Draft NPPF

- Brownfield and other under-utilised urban sites should be prioritised in the authorities with an uplift, and on these sites density should be optimised to promote the most efficient use of land.
- Concerns about the quantum and distribution of previously developed land
- Brownfield sites in England have the capacity to develop 1.4m homes = 31% of total housing need over next 15 years.
- Plan for housing need (minus any over-delivery) and other uses unless protected areas/assets restrict this, impacts outweigh benefits, including 'situations where meeting need in full would mean building at densities significantly out of character with the existing area'



>>> Daniel Slade RTPI Policy Manager

The RTPI's analysis of DLUHC's consultation on changes to the NPPF

- Daniel started his second stint at RTPI in January.

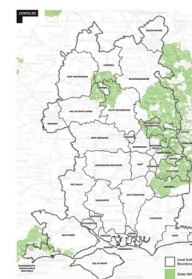
- There seems to be a shift from a system focused on disincentives for under supply of housing in local areas to an incentive focused one but it is not clear what the incentives are.
- The proposals weaken a series of technocratic requirements for local plan makers which were widely seen as unfair by local decision makers. These relate to: 5YHLS, green belt, densification, the Housing Deliver test and the wider application of the Presumption.
- The proposals also aim to reduce the evidence burden on plan makers by removing justifications.
- Emphasis from technical legitimacy of local plans - political legitimacy.
- Strategic planning, leadership and lack of resourcing are 'elephants in the room' which have not been considered by the Government in the proposals.
- Other concerns are that only housing is mentioned as a tool for densification but what about employment? Also, public interest will come down to ambitious local leaders and will depend on leadership itself.
- What were considered to be the positives by the RTPI in the consultation:
 - The strength of neighbourhood planning
 - Clarity over design requirements in planning conditions

LICHFIELDS

Green Belt review and local plans

Green Belt Boundary Reviews

140 (142) – *Green Belt boundaries are not required to be reviewed and altered if this would be the only means of meeting the objectively assessed need for housing over the plan period.*



- Addressing regional inequality
- Housing for older people, women and girls, and vulnerable groups
- Affordable housing for rent
- Community-led housing
- Carbon impact assessment.
- Chapter 12 proposed some important changes but didn't ask for input. The RTPI provided additional responses - Chapter 12 in the form of a letter to the minister. The main concern is that climate change, net zero and the environment are an afterthought when they should have more priority.
- Changes to the system made through LURB could be significant, these include:
 - NDMPs despite being potentially positive could have significant democratic implications;
 - The removal of SPDs is concerning;
 - Devolution could be good for planning with potentially positive announcements in the budget.

Felicie Krikler and Adam Fotergill, Assael Better living through design

- Direct experience from an architecture practice.
- Assael are a mid-sized architectural practice of around 90 people and 75 per cent of their projects are in London.
- Quite complex large mixed use residential developments on brownfield sites.
- Good understanding of planning framework but work with planning consultants who are integral to the process.
- Positives of the reforms - national planning policy:
 - Older people's housing;
 - Urban uplift principle;
 - Accountability for developers' engagement and data in the production of neighbourhood plans;
 - Public participation;
 - Affordable housing for rent;

- Nature-based solutions;
- Mandatory whole life carbon assessments;
- National Retrofit Strategy.
- Challenges of the reforms:
 - Housing supply definition; would welcome the inclusion of types, tenure and location in the reforms;
 - NDMPs: introduction at a national level could slow down some of the more innovative work undertaken by LPAs and they could be revoked or modified without further public consultation;
 - Infrastructure commitment;
 - More emphasis on safety of public spaces is good but should consider everyone.

Character and Density

Beauty

- Subjectivity of terms beauty and character could be problematic.
- RIBA stated that emphasizing the role of beauty alone does not create a suitable prerequisite for good design. Beauty must be incorporated in a broader definition focused on security and achieving positive outcomes for people. This could be done through established design and quality review processes.

Case studies:

• **Vulcan Wharf, Stratford, London Legacy Development Corporation (LLDC) authority:**

- Very design focused planning process.
- Located in the Pudding Mill opportunity area and the SPD sets out broad requirements of the site although the actual development challenged those.
- Tall buildings policy sets a series of requirements
- ensure the proposed design is 'outstanding' compliance with this set of criteria.
- Met design and quality review panel of LLDC 3 times which became an important part of the process.
- In light of the emphasis on subjective terms like beauty in policy, the importance of independently appointed panels is going to grow.

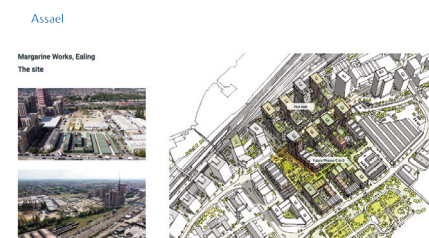
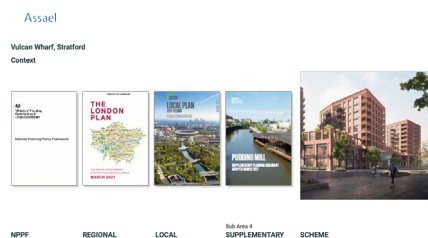
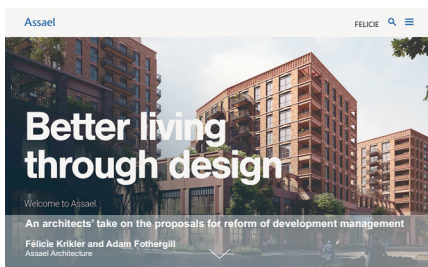
Character and Density

- Character is a subjective term as well.
- More emphasis is put on character as opposed to density to relate to housing need.
- RIBA's feedback on character: "It is a temporarily and culturally situated asset, which should be fluid and flexible to the changing circumstance; and this should be acknowledged with any definition of character". Evolution of London over 60 years shows a complete change in character.

Case Study:

• **Margarine Works, Ealing:**

- Development of detailed design code enabled bringing forward reserved matters in efficient way.



- Lots of points in the reform - NPPF are positive but more pointers - enable objective assessment are needed. The right stakeholders need to be involved in the plan making process to make sure local plans are deliverable.

Q&A

- Q (Nick Fal)- Michelle mentioned test and learn. How much do we learn if we do no evaluation of schemes in terms of reaction of occupants? >>>



BRIEFING | LONDON PLANNING & DEVELOPMENT FORUM

>>> Shouldn't we do more of that?

- A (Felicie Krikler) – Post occupancy evaluation is the only way to learn about what we are designing.
- Q (Dan) – NPPF and concept of leadership. It seems that the NPPF is tightening up the rules for councils to guide them and there is also a concept of lack of leadership, and we know that visionary leaders in councils can promote buildings that break the mold. What's your opinion on leadership in the council and their authority?
- A (Daniel RTPI)- Focus on point around green belt review. Local authorities not needing to review green belt even when they do not meet the hous-

ing need. Need for Councils to do more proactive work on growth and making sure the system provides space for more innovative leadership.

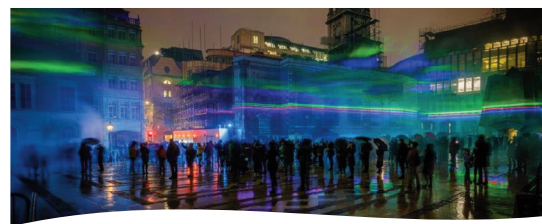
- Q- We are entering a period of greater risk with interest rates and climate change; who is going to take the responsibility for this risk?
- A (Daniel RTPI)- Further devolution could lead to councils or combined city regions to take on more responsibility.

Alastair Moss – Chair of Corporate Services, City of London Destination City

- Was Chair of Planning at Westminster for many

years, held two local authority positions with the Corporation and the City of Westminster, and chaired the Planning and Transport Committee for three years and is now Deputy Chairman. Has seen both environments of the two cities.

- Now involved in the City Business Improvement District and day job as property lawyer.
- Chris Hayward, who is the leader of the Corporation, is leading the major corporate strategy which aims to make the City a leading destination for workers, visitors and residents to ensure the City continues to be competitive globally in placemaking terms.
- Its built upon existing strategies in local govern-



Destination City sets out a renewed vision in response to a challenging context

In 2021, the City Corporation commissioned a strategic review to set out a renewed vision for the City to be a leading destination for workers, visitors and residents.

- Context:**
- The impact of Covid is a threat to the overall vibrancy of the Square Mile
 - We wanted to ensure the City and London continues to compete with other global cities in terms of placemaking

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We delivered an evidence-led review

Our approach:

The review was independent and led by Danny Lopez and Kate Kealing.

It pulled together and built upon existing strategies:

- Cultural Strategy 2018-22
- Visitor Strategy 2019-2023
- Square Mile: Future City

And was led by competitor analysis and stakeholder feedback

- Looking at the **spend, focus, and ambition of other cities**
- **Interviews with over 70 stakeholders** from businesses and partners to internal departments and residents

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With a clear vision and ambitious goals

To become known as one of the most vibrant and exciting places in the world with a truly diverse economic, social and cultural offering.

Primary Objectives:

- To drive footfall
- To encourage spend
- To deliver a commercial ROI

Supporting Objectives:

- To reappraise perception and drive desirability
- To enhance destination profile and leisure credentials
- To improve the customer experience and keep audiences coming back for more

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Destination City will enhance the Square Mile's leisure offer to increase its appeal to existing and new audiences

- A **£2.5 million annual investment** to create a leading destination for workers, residents and UK and international visitors to enjoy.
- Leveraging the Square Mile's identity, culture and heritage to **curate a distinctly 'City' seasonal animation programme**.
- It is more than just events. It is about an **enduring transformation of the Square Mile**. One that enhances our unrivalled heritage and history, celebrates our world-renowned arts and culture, and **elevates our offer**.
- A **new spirit of welcome**, with strategies to **make the public realm more enticing**, built around brand partnerships and sustainability.
- Building innovative & inclusive **wayfinding technology and signage**, to improve **discovery and drive dwell time**.
- Working with City BIDs, landlords and key partners to **reinvigorate the Always On offer**, to activate spaces and diversify our everyday offer.
- And a **powerful new voice for the City's destination marketing**, with an authoritative consumer facing brand and lasting partnerships that drive global profile and consideration.

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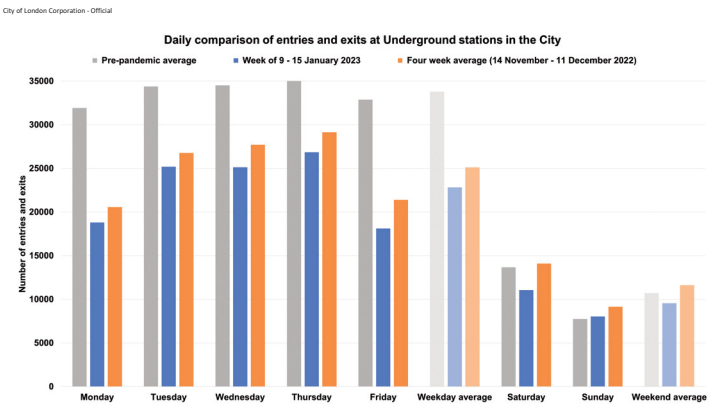
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City Plan 2036
Shaping the Future City



City of London Local Plan



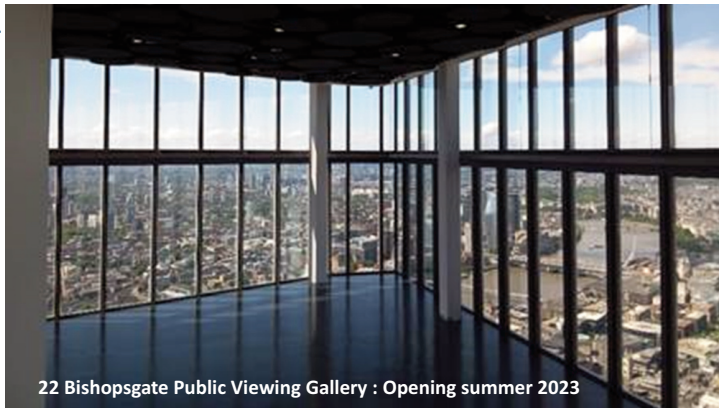


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22 Bishopsgate Public Viewing Gallery : Opening summer 2023



SEAL HOUSE : Public roof garden (under construction)

City of London Corporation - Official. This information remains the property of the City of London Corporation. Any requests to share this information in a public forum should be made through the City of London's Communication



1 LEADENHALL COURT : Public terrace (under construction)



THE MIGRATION MUSEUM, FRIARY COURT



55 Bishopsgate : Application considered by Committee in summer



Exceptional Cycling facilities : 22 Bishopsgate



THE EXPRESS BUILDING : Securing public access

ment; a cultural strategy, a visitor strategy, and building the resilience and sustainability of the future the City (the square mile), and to make the City vibrant and diverse.

- Not complacent about London's position as a world class city and learning from other cities in the world.
- During Covid no one was in the City; it was a place to be evacuated. But it should be resilient as thousands of people contacted the City of London to say how they would like the City to be.
- Now people are back and the City is thriving again.
- What are the primary objectives:
 - drive footfall into the city, getting visitors to



spend money and to deliver a return on investment.

- Perception and driving the desirability of visiting the City by increasing the leisure offer and understanding the audience's use of social media ('Instagram moments').

• The City is spending £2.5 million to create this destination (an officer team and events). The aim is to make it habitual for people to come into the City and for that to happen the City must always be on to events help to create this impression.

• The City needs to be on brand and it needs to be positive and inclusive.

• The City owns around 25 per cent of the City's real estate and are deliberately hedging occupiers - make them more diverse.

• Identify different zones for different events and improve the public realm.

• Planners and policy makers play a big part.

• 95 per cent of visitors use public transport to travel to the City and walk when they get there - it is sustainable.

• Resurgence increased from 15 per cent during Covid lockdowns to 85 per cent and Fridays are higher than pre-Covid.

• Planning provides the canvas for this it to happen. The Local Plan, which was paused, is back and being reviewed to create the evidence base.

• In terms of visitor numbers in 2022 there were 4.9 million visitors and in 2019 there were 7.4 million and the trajectories suggest that numbers will come back to that level.

• Cultural resurgence is building on the cultural attractions. The City is spending money on the Barbican to make the City more accessible and a cultural destination.

• Museum of London (London Museum) is moving to Smithfield Market, the existing buildings will be repurposed.

• The Museum will be near Farringdon where 200 trains are arriving per hour.

• The building to house the Migration Museum has recently been approved, its first home in City.

• The Jewish Museum is coming to the courtyard of Bevis Mark Synagogue.

• The London Centre will be relocated to Guildhall.

• Various historical assets and exhibitions have been approved recently or are on the horizon.

• Art Deco interior of the Express Building will be opened to the public.

• The Sky Garden has hosted 10 million visitors over time and roof gardens in general show a great diversity in visitors now and are less exclusive.

• New pedestrian routes will be made and there is a focus on retail resurgence, which is a difficult sector for the City.

• Long tradition of City pubs.

• Lots of streets have been repurposed for sitting and congregating.

• A lot of effort has been made to make the City a seven day a week and evening/weekend destination. Planning and economic development is playing a part in making the City more resilient in the years ahead.

Q&A Alastair Moss

• Q (Lee Mallet)- How much does the lack of affordable housing in London affect the companies in the City?

• A (Alastair Moss)- It is fair to say that a few years back there was a lot of press attention on the City; repurposing for housing is not primary policy but there are areas of housing in the City to implement some of the plans talked about earlier, a flexible canvas is needed. The City has housing estates and has contributed in a major way towards housing but its primary function is not to be using space for housing. Bluntly, economically, the value of the real estate would be sterilized by housing development.

• There is an impact on corporations and businesses as not many people live in London which results in a lack of diversity. The City is looking at co-living and shorter term living which could be affordable in their own way.

• In terms of the economic prospects, the number of people wanting to invest in city is at all-time high.

• Q (Mike)- Livery companies in the City are a great asset but are run like secret societies. Is there anything on the agenda to encourage companies to open up a bit?

• A (Alastair Moss): There is close relationship between Livery companies and City of London and it would be in their interest to open up also to be in line with their own policies on diversity, sustainability, and inclusion.

• Question: I work in the city. Working practices have changed a lot, how is that impacting your forecasting for lease lets and flexible management of offices?

• A (Alastair Moss)- From a sustainability perspective, it is unacceptable not to use buildings and there is a no-demolition policy. Generally, there is not much change, people still want space but use it in a slightly different way which has had a positive impact on the building industry.

Dr Nick White, Principal Adviser, Net Gain, Natural England

BNG Planning Update

• Experience with Covid showed that people really value the green spaces in cities.

• Nature and natural environment important for wildlife but also important for making communities more resilient in the face of Climate Change.

• A standardised approach to biodiversity is needed which allows for an objective measure for devel-

BNG Annual Planning Update

Dr Nick White: Principal Advisor, Net Gain – Natural England



Nature and Development



BNG & Environment Act 2021

- England only
- Amends Town & Country Planning Act (TCPA) and 2008 Planning Act (NSIP's)
- Commences from November 2023
- Minimum 10% gain & approval of net gain plan (LPAs can locally vary upwards)
- Off-site habitat secured for at least 30 years
- Delivered on-site, off-site or via Statutory Biodiversity Credits
- Statutory Biodiversity Metric
- National register for off-site net gain sites
- Does not change existing legal protections



Mechanisms for delivery of Mandatory BNG

On-site (units) Potentially in full or combination	Off-site (units)	Statutory Credits Only if units not available
 Habitat creation or enhancement; landscaping or green infrastructure	 New habitat creation or enhancement on land holdings or via habitat banks	 Landscape-scale strategic habitat creation delivering nature-based solutions

The Importance of the Metric

- Reinforces the mitigation hierarchy
- Uses habitats as a 'proxy' measure and translates into biodiversity units
- All intertidal and terrestrial habitats plus linear habitat types
- Establishes a baseline and forecasts outcome
- Provides confidence and consistency of approach
- Aids communication to non technical audiences
- Evidence- based, simple and practical to use



Mandatory BNG – Further Information

BNG Consultation Response – 21/02/2023

- Additional £16.7m for LPA readiness
- Commencement starting November 2023 BUT 'small sites' commence April 2024
- Exemptions – self & custom builds added. Brownfield NOT exempt



>>> opers/applicants to set out what a project is doing to help the natural environment.

- The BNG & Environmental Act 2021, which has been passed but will not come into force until November 2023, is a big change in terms of what will be delivered through the development process for the natural environment.
- The Act amends the TCPA and the NSIPs.
- A minimum of 10 per cent BNG is required but LPAs can vary upwards and can be delivered on-site, off-site or via statutory credits (last resort).
- Off-site habitats to be secured for at least 30 years.
- A metric will underpin all of this by:
 - Reinforcing the mitigation hierarchy;
 - Using habitats as a proxy measure and translating them into biodiversity units;
 - Establishing a baseline and forecasting outcome;
 - Providing confidence and consistency of approach;
 - Aiding communications to a non-technical audience;
 - Evidence based, simple and practical.
- Easiest way to achieve net gain is to think about it during site selection to find the best way to incorporate nature in a proposed scheme.
- For small sites (a site less than 0.5 ha), the BNG does not commence until April 2024.
- If a development provides more BNG than required it could potentially be sold - another development.
- Additional guidance on stacking and bundling, selling different outcomes - credits for carbon or carbon neutrality, landowner advice and central BNG guidance.
- In 2025, BNG comes into force for NSIPs.

Q&A

- Q (Dan)- Which species and plants do you want to see more of and what do you say to landowners who want achieve the highest yielding investments for their cost?
- A (Nick White)- The species or habitat to be provided depends on the baseline but a trade up must be demonstrated. To get the best value out of an investment, the local area has to be taken into account and which biodiversity interventions are specifically needed in that area.
- Q (Daniel RPTI)- Could you talk more about resourcing in LPAs?
- A (Nick White) – £16.7 million have been provided to Local Government to invest in resourcing including training, local capacity, and further ongoing resourcing. There are also mechanisms for local authorities to recover costs.
- Brian Waters - ICN consultants realise that BNG could enhance value of marginal land which could then be sold to developers as credits.

Mandatory BNG – Further Information cont'd

BNG Consultation Response – 21/02/2023 cont'd

- Sale of 'excess' onsite biodiversity units – allowed
- Net gain register details
- Statutory credits
- Protected sites and BNG delivery – coastal vs non-coastal
- Additionality & relationship with compensation



Mandatory BNG – Further Information cont'd

Additional BNG Guidance

- Stacking and bundling
- Landowner advice
- Central BNG 'collections' page on Gov.uk

<https://www.gov.uk/government/collections/biodiversity-net-gain>



Mandatory BNG - Timelines

Town & Country Planning Act Developments

- November 2023 – commencement for all bar exempted plus small sites
- April 2024 – commencement for small sites – defined as:

(i) For residential: where the number of dwellings to be provided is between one and nine inclusive on a site having an area of less than one hectare, or where the number of dwellings to be provided is not known, a site area of less than 0.5 hectares.

(ii) For non-residential: where the floor space to be created is less than 1,000 square metres OR where the site area is less than one hectare.



Mandatory BNG – Timelines cont'd

2008 Planning Act Developments (NSIPs)

- Late 2025 – commencement for all that have not already commenced via updated national policy statements
- Standard BNG policy statement produced
- Essentially same approach as for TCPA BNG envisaged e.g. standardised metric, use of register for offsite etc



BUILDING NEW HOMES

Samuel Stafford, Planning Director, HBF
Eight ways to build more

- 1 The single most impactful thing for building more homes is to set out an ambitious national housing target and explain to local authorities that it is their role to deliver those homes. 52 Local Plans have been pulled and this can be directly linked to ongoing gossip and discussions about the standard method changes and the consultation on new amendments to policy.
- 2 We need planners. Planners are most in demand as far as local authorities are concerned. In the Netherlands planning is part of the solution, not the problem.
- 3 Planning teams need more money RTPI analysis has found. LA spending on planning fell by 43 per cent from 2009 to 2021, in the northeast it fell by 62 per cent.

4 Rethinking services: the application fee is only a proportion of the services. In the last 10 years, 400-500,000 applications have been received per year on average. 96 per cent of applications were determined in time in 2009, by 2021 this figure fell - 49 per cent, signing extensions of time masks this figure. Services need reimagining and including meaningful pre-application, getting on site by way or conditions or S278.

5 Obsessed with reform, bills, legislation, and ministerial announcements. Consider the impact of standard validation requirements, including page limits, significantly extended deemed discharge provisions, greater use of Part ii brownfield sites to give a clear steer to SME builders on sites to come forward. None of these suggestions require changes to policy or legislation and can have a meaningful impact.

6 Huge fan of National Development Management Policies. Policies in NPPF logical and reasonable starting point but should not be the end point. Issues of national concern to harmonise with Building Control Standards. Local authorities with more ambitious sustainability targets (net zero) than Building Regs could cause problems for small house builders. Other areas that should be national policy include EV charging.

7 Devo Deals – strategic plans are missing. Devo deals need to be based on housing market areas in full. Housing market areas need to be thought about in full.

8 Green Belt policy needs to be amended so local authorities can amend the green belt once they look at their urban capacity, brownfield sites in the greenbelt, and exceptional circumstances are demonstrated. Instead, the Government went the other way. Developments around stations around half an hour from cities should be considered. Add new test on top of to consider sustainability alongside leisure, landscape and beauty when assessing greenbelt sites. Make the case for a Royal Commission on the future of Green Belt fit for the 21st century.

Anthony Breach, Centre for Cities
The Housebuilding Crisis

- Recently published report 'the Housebuilding Crisis' looking at the history of housebuilding since the TCPA 1947.
- Discourse suggests that up until 1980 everything was fine. Only after selling Council houses problems started to emerge, but this narrative is only partially true.
- 1980s decline was preceded by two more significant decreases in housebuilding; one after 1947 and then during the 1970s, in the decade before Right to Buy, there was a decline in private and council housebuilding.
- Housebuilding after 1947 was about a third

1. An unequivocal commitment

Proposed NPPF policy changes on local plans and housing land will result in c.77k fewer new homes per year, half the Government's 300k ambition, and over a million fewer homes than the national target by 2030.

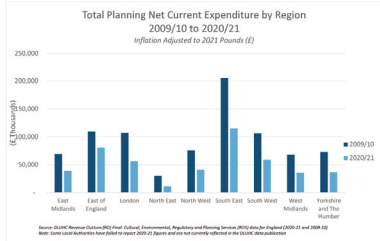


2. We need planners

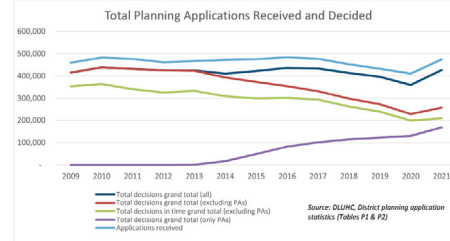
Table 9: Planners' salaries by sector, 2019/20

Profession	Count	Salary %	All salaries %
Planning officers	83	62	47
Legal professionals	47	35	35
ICT professionals	43	32	32
Chartered accountants	30	22	22
Engineering professionals	29	21	21
HR and industrial relations	25	18	18
Finance officers (other than accountants)	22	16	16
HR	22	16	16
Heavy goods vehicle drivers	17	12	12
Administrative	17	12	12
ICT user support officers	15	11	11
Business development officers	15	11	11
Cost enforcement officers	15	11	11
Graphic designers	15	11	11
Call centre agents/operators	15	11	11
Business assistants and other	15	11	11
Customer service	15	11	11
Other front line staff	15	11	11
Security staff	15	11	11
Physiotherapists	15	11	11
Other (other than ICT)	15	11	11

3. Planning teams need resources



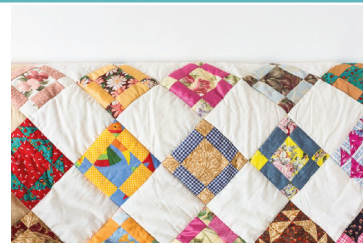
4. Rethinking services



5. Paperwork



6. National Development Management Policies



7. Devo Deals

Table 1: Devolution Deal

Area	Deal	Deal	Deal
Planning	✓	✓	✓
Transport	✓	✓	✓
Health	✓	✓	✓
Education	✓	✓	✓
Environment	✓	✓	✓
Skills	✓	✓	✓
Leisure	✓	✓	✓
Other	✓	✓	✓

8. Green Belt



lower than in the period before.

- Performance of housebuilding by European Countries between 1955 - 1979 shows UK in bottom three but public housebuilding was quite considerable compared to other European Countries. UK has the lowest rate of private housebuilding of any country in Europe post 1955 - 1979.
- Rationing of land and lack of land being made

available for development leads to relative decline in housing outcomes over time.

- UK is missing about 4.3 million homes, given the increases in homes per person compared to other European countries. UK has not built at the same rate as other western European Countries. Strategy of tenure mix makes no difference.
- 300k/annum housebuilding target is too low to clear the backlog quickly. 442k/annum needed to

clear it in 25 years, 654k/annum to clear it in 10 years.

- Town and Country Planning Act 1947 is the root cause of housing shortage. Planning system reduces both private and social housing.
- Planning reform to introduce a new rules-based, flexible zoning system is the solution. Crucial for improving affordability and economic growth.

>>>

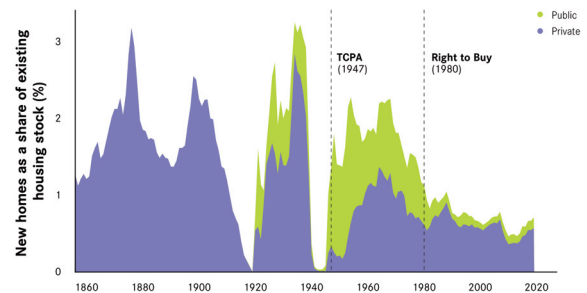
The Housebuilding Crisis

Anthony Breach, Centre for Cities

@antbreach

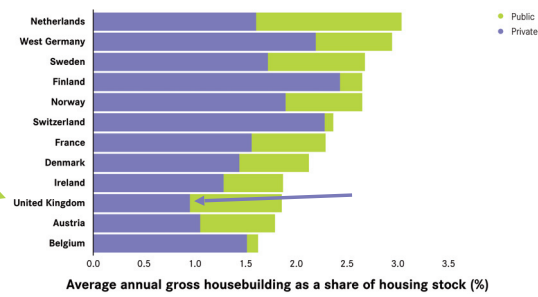
Housing growth falls after the TCPA 1947, and before Right to Buy

Gross Housebuilding in England and Wales from 1856



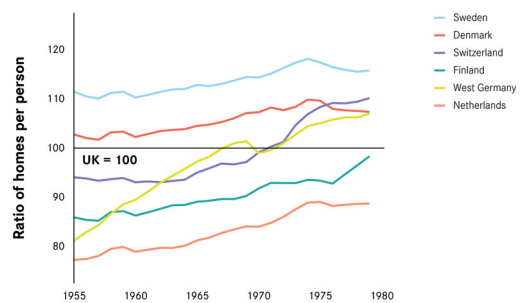
Postwar Britain builds less housing than most of the rest of Europe

Average annual gross housebuilding by tenure in Europe from 1955 to 1979



Postwar Britain fell behind other European countries in homes per person

Ratio of homes per person relative to the UK from 1955 to 1979



The UK is missing roughly 4.3m homes

Country	Increase upon the UK's Housing Stock in 2015	Calculated Total Additions	Calculated Private Additions	Calculated Public Additions	Private: Public Mix of Additions	Homes Per Thousand People - 2015
United Kingdom	0%	12,230,000	7,875,000	4,358,000	64 : 36	425
Increase to the UK's added homes from 1955 to 2015 if the UK had built at the rate of...						
Switzerland	6.0%	1,647,000	6,005,000	(4,358,000)	94 : 6	450
Sweden	7.7%	2,117,000	2,054,000	82,300	68 : 32	457
Denmark	8.8%	2,445,000	3,910,000	(1,465,000)	77 : 23	462
Belgium	10.1%	2,795,000	7,153,000	(4,358,000)	96 : 4	468
Netherlands	10.3%	2,816,000	833,800	2,002,000	59 : 41	468
Norway	12.1%	3,349,000	5,821,000	(2,472,000)	84 : 16	476
Germany	13.9%	3,835,000	6,367,000	(2,533,000)	85 : 15	484
France	19.5%	5,393,000	6,270,000	(877,700)	78 : 22	507
Austria	25.3%	7,007,000	4,850,000	2,157,000	66 : 34	532
Ireland	25.6%	7,076,000	8,888,000	(1,812,000)	84 : 16	533
Finland	29.9%	8,276,000	12,300,000	(4,019,000)	94 : 6	552
Western European Average	15.4%	4,254,000	5,859,255	(1,604,855)	80 : 20	490

Conclusions

- 300k housebuilding target is too low to clear the backlog quickly
 - 442k to clear it in 25 years, 654k to clear it in 10 years
- Town and Country Planning Act 1947 is the root cause of the housing shortage
 - Planning system reduces both private and social housing
- Planning reform to introduce a new rules-based, flexible zoning system is the solution
 - Crucial for improving affordability and economic growth

>>> Peter Bill, Co-Author Public Rental Home

- The concept of public rental homes accepts we are where we are and does not require changes to the planning system.
- Labour will not plunge back into the pit of planning reforms again.
- Public Rental Home is a new term for council homes. Not many public rental homes are being built at the moment and the purpose is to reduce numbers on the council house waiting lists.
- The book *Broken Homes* highlights that one fifth of population is on waiting lists and is completely left out of the discussions.
- The idea that 300,000 homes/annum will magically appear if the planning system is changed is nonsense.
- It is in the interest of housebuilders to blame the planning system. Housebuilders have got very close to government in the last 30-40 years and think the Government should bend the planning

system at their will.

- Correlation between functioning planning system and output much weaker than developers would make you believe. Correlation between houses built and economic activity is much stronger.
- 50,000 fewer homes by Savills for LDPF. Average sales rate is the crucial value for housebuilders to what is being built.
- Housebuilders have reduced number of outlets; the number of new houses built will continue to drop. The number of new homes will drop 145,000 - 90,000 and this has little to do with the Planning System.
- The number of affordable homes is going to plummet. Ghosts in the machine – over 13 million people in 6.5 million households would never be able to afford to buy a house.
- 1.2 million households on Council homes waiting lists.

- 40 years ago, 45 per cent of Council homes were rented out at affordable levels; today it is only 15 per cent.
- Since 2015 only 700,000 affordable homes have been built – the number of households on waiting list has barely shifted as they are not being catered for under the new affordable houses. What - do about it all?
- Jackie Sadek and Peter Bill wrote a report for the Housing Finance Institute and Think Tank Localis called 'Public Rental Homes: fresh perspective'. Report came out a month ago and is free and online.
- Councils are hollowed out. The private sector needs to play a role in tackling this crisis and they should be able to make a proper return. But it needs to go through the planning system and councils can take initiative.
- It should be done through an Appraisal Approach. How many private rental homes can a developer



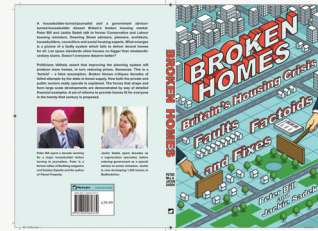
PUBLIC RENTAL HOMES

Forty councils in England built no social housing for five years due to cuts

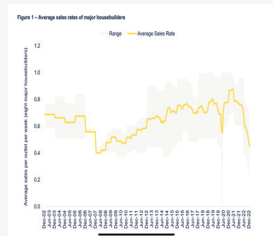
Government focus on homes at higher 'affordable' rent helps fuel chronic shortage with demand poised to surge



BROKEN HOMES



50,000 FEWER HOMES



GHOSTS IN THE MACHINE

What can afford what?	Median	5th	2nd	9th	Top
Quintile 10th lowest to average	13.4	13.4	13.2	13.0	12.9
Number of households - million	6.2	6.9	5.8	5.3	5.4
Disposable income 2022/23	£18,084	£22,204	£28,244	£40,779	£62,009
Afford 10th on mortgage	£4,641	£7,188	£10,049	£13,004	£18,000
Monthly mortgage cost	£382	£577	£837	£1,110	£1,710
How much can they borrow?					
Mortgage	Drop 60%	£75,000	£105,000	£150,000	£225,000
Deposit	Drop 4%	£1,000	£1,000	£10,000	£10,000
Afford to buy	Drop 64%	£80,000	£106,000	£160,000	£235,000

TENURE	1992-93	1993-94	2019-20	2020-21
SOCIAL RENT	57,023	48,941	6,766	6,051
London Affordable Rent			1,797	2,102
Affordable Rent			28,263	23,830
Intermediate Rent			1,748	2,018
Shared Ownership			18,239	16,984
Affordable Home Ownership	8,698	14,795	2,108	1,132
Unknown tenure	0	0	43	28
ALL AFFORDABLE	65,721	63,736	58,964	52,145

PUBLIC RENTAL HOMES



What's the flipping idea?

- To flip the private developer appraisal model of determining site viability into a Public Rental Homes (PRH) appraisal model. As it currently stands, housebuilders work out how many affordable homes of various grades they must concede to prime or an acceptable value for the land on which they wish to build private homes. Why shouldn't councils, in cooperation with a developer, work out how many private homes built for sale are needed to viably build homes that can be rented at rates those on the waiting list can afford?
- To flip 'top-down' targets over and into 'bottom up' plans. The bedrock of any local Public Rental Sector (PRS) strategy is the council waiting list - the size of households on the list and their ability to pay the proposed rent form the foundations. The prime responsibility of the local authority is to identify sites that might meet these criteria and initiate discussion with developers, but there is also the opportunity for developers to approach the council and suggest suitable sites.

PRH: APPRAISAL APPROACH

Residual Land Value appraisal - PRH model	AVERAGE	UNITS	TOTAL - £ MILLIONS
INCOME			
Private - today's prices	£300,000	75	22.5
PRH - up cost	£150,000	75	11.25
Anticipated private value increase - if included			1.25
Costs development value			3.3
Residual land value			1.5
EXPENDITURE			
Section 106	£2,000	150	0.4
Construction	£150,000	150	22.5
Professional fees	£2,000	150	0.3
Marketing	£5,000	75	0.4
Sales	£2,000	75	0.2
Finance costs	£20,000	150	3.0
BUILD WEIGHT FOR BUILDERS			
75 private units (20%)	£80,000	75	6.0
75 public rental (20%)	£20,000	75	1.5
			0.7
Build cost - profit - residual land value = GDV			32.2

Residual Land Value appraisal - private model	AVERAGE	UNITS	TOTAL - £ MILLIONS
INCOME			
Private	£300,000	80	24
PRH and retirement	£200,000	25	5
Affordable	£150,000	45	6.7
Anticipated price rises, if included			3.3
Costs development value			20
Residual land value			4.8
EXPENDITURE			
Section 106	£2,000	150	0.4
Construction	£150,000	150	22.5
Professional fees	£2,000	150	0.3
Marketing	£5,000	80	0.4
Sales	£3,000	80	0.2
Finance costs	£20,000	150	3.0
BUILD WEIGHT			
80 private units	£50,000	80	4.0
Rental and retirement	£40,000	25	1.0
Affordable units	£8,000	45	0.4
			5.4
Build cost - profit - residual land value = GDV			25

afford to build? No rules on the provision. If the viability study shows a positive value, they development can go ahead because the 20 per cent profit is already built in and if it is below 0 that's where the grants etc come in.

- Councils should not be allowed to take any risk. Councils should set up the frameworks and Builders take all the risk and get compensated for it.
- Very few family houses are being built.

Dr Nicholas Falk, Executive Director, Urbed trust Community led housing (CLH): Why Not?

- It is an important niche that is missing. We do not have the right type of products.
- CLH numbers are increasing but trivial compared to other European countries.
- Cooperatives: residents are in control and they self-manage their homes in a democratic way, they have security and pay fairer costs.
- Hulme - Urbed were involved getting area

PRS: SOME ANSWERS

Public Rental Homes, fancy name?

There does seem to be a need to come up with a new term for homes not tarred with the 'council house' or 'social rent' brush. But the burgeoning private market in building homes for rent proudly call themselves the Private Rental Sector (PRS) or Built to Rent (BTR). Why shouldn't councils have a sector to call their own? Better to say to voters "we plan to deliver 100 Public Rental Homes this year", rather than mumble apologetically about 'social housing provision.'

What about mix and size?

This is where the bottom-up element comes in: let the mix be determined by the demand suggested by the mix of homes required on the council waiting list. The mix provided by the current 'affordable' model tends to be shaped by private developers, formed by a joint desire between housebuilders and councils to place unit supply at the forefront of considerations. The size of PRH units should never be below Nationally Described Space Standards - in fact, councils should consider returning to the larger standards set 100 years ago by Sir Tudor Walters, which provided a template for council house designs for 50 years.

How would you set the rent?

Easy enough: to the level of what is now described as 'social rent'. To private developers that tends to mean 50 percent of the local market rent, but the government has a whole set of rules and a grid of numbers to determine rents of public housing on a council-by-council basis. These Local Housing Allowances or local council rents can be used as benchmarks for PRH rents - bearing in mind that 25 percent of the population cannot afford to rent above these levels.

PRH and private - what percentage of each?

If the scheme stands up without government loans or grants, let the council in tandem with the chosen developer choose the tenure mix, with no need for Whitehall interference. If public loans or grants are needed to make the project viable, the government would get a say on the minimum percentage of public rental homes, as well as the tenure mix, through Homes England.

But councils want different things depending on their political control. The approach is deliberately 'loose-tilt' and politically neutral, designed to survive changes in government. The only prerequisite for the model to work is that the homes sold privately allow the development to reach the viability threshold for the PRH. This rule is the same for a Labour council looking to develop a 70 percent PRH site as for a Conservative council looking to provide 30 percent PRH, the numbers simply have to add up. If a private housebuilder, or the private rented sector, wants to weigh in and start building PRH units, this would also work within the model.

Viability - that's the stumbling block, isn't it?

Admitted: Flipping the viability model from, let's say 60/40 private/ 'affordable' to 40/60 PRH/private will either reduce the residual land value significantly, either to zero, or, in many cases to below zero. What makes a scheme 'viable' is the residual land value works out at zero or positive in the appraisal. If the land value is still negative, then somebody needs to come up with the cash to make the scheme viable.

OK - who comes up with the money?

Well, it doesn't always have to be about the money. The price of the land is a bargaining chip, at least when owned either by the council, or another organ of the state. The rules are complex, but flexible. 'Social Value' discounts can be argued, as can 'free transfer' in compelling cases. As long as any private partner does not unduly benefit from the rules being bent in favour of the council, it can work.

developed with design guides. Building the 21st Century Homes but very little has happened since then.

- CoHousing intentional communities run by their members.

- Marmalade Lane, Cambridge where co-housing came at the end of development.

- Community Land Trusts give people the means to steward the land for local wellbeing; development and assets important to the community.

>>>



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Community Led Housing: Why Not?

Dr Nicholas Falk
Executive Director
www.urbedtrust.org



How does CLH add value?

- ▶ *Cooperative movement's values are deep-rooted. They are: self-help, self-responsibility, democracy, equality, equity and solidarity. When these values are related to housing it means:*
 - Residents are in control
 - Residents self-manage the homes in a democratic way
 - Residents have security
 - Residents pay fairer costs

How does CLH add value?

- ▶ **CoHousing:** Intentional communities run by their members

Great for both older singles and young families
e.g. Springhill, Stroud



- ▶ CLT's engage communities in designing the neighbourhoods they want e.g. Citizens House, Lewisham



CLH is taking off at last

Community Led Homes is a partnership project between the Confederation of Co-operative Housing, Locality, the National Community Land Trust Network and UK Cohousing. These organisations work together to make it easier for communities to access support and build a lasting community led housing movement.



HULME <https://youtu.be/OfOyZgWPH7U>

1994

Our design guide for Hulme (later adopted for Manchester), was coupled with developing Design for Change/Work for Change and we set up our Manchester office there



Cohousing creates wellbeing for all e.g. Marmalade Lane, Cambridge

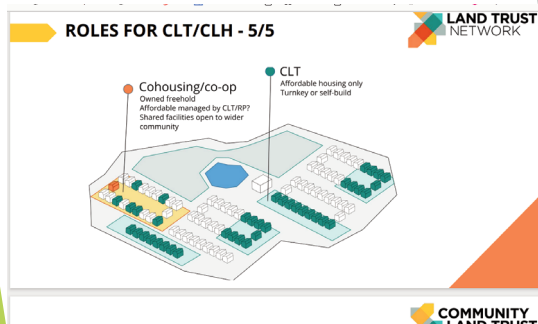


How does CLH add value?

Community Land Trusts – or CLTs – give ordinary people the means to steward land for local wellbeing; developing and managing homes and other assets important to their local community



Partnerships make CLH viable



Benefit to cost returns of 1.8 to 3.1 (Capital Economics)

Housing by the community, for the community

An assessment of the value for money of community led housing in England

Community led housing delivers medium to high

Assessing value for money of public funding

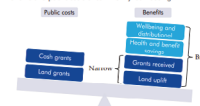
As with other developers of affordable housing, community led housing groups receive public funding to deliver new homes. For groups receiving public funding, each grant is equivalent on average to just under 30 per cent of building costs, some £24,000 per house. Cities or discretional rates of public development sites to groups contribute a further £5,000 per house, on average.

This report assesses the value for money of community led housing using an analytical framework, the Green Book, employed by government officials for public spending proposals. Section four of the report explains the approach in further detail but, in brief, benefits generated by community led housing are assigned monetary values which are compared to the public costs of grants of cash and rates.

A ratio of benefits to costs of between 1.5 and two is considered medium value for money, while a ratio between two and four represents high value for money.

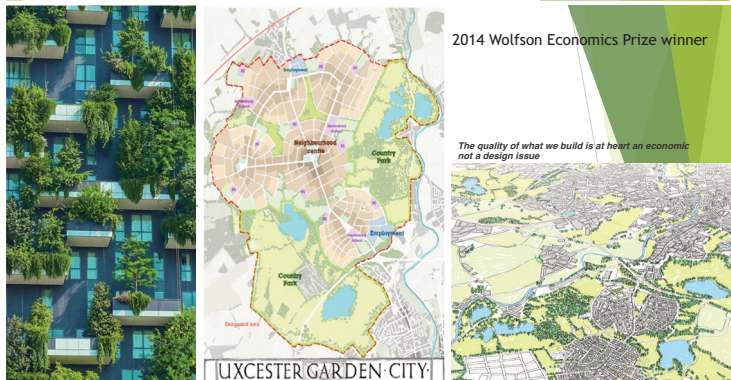
Using a ten-year horizon, which is common in spending appraisals, we find each pound of public support delivers 1.8 pounds of benefit, rising to 2.7 pounds when health and benefit savings, wellbeing and income distribution benefits are factored in. This places community led housing support at the medium to high value for money categories. We believe the long-term nature of community led housing, a longer period of public support is more appropriate. Over thirty years, each pound of public support delivers 3.1 pounds of benefit when health and benefit savings, wellbeing and income distribution benefits are allowed for. This places community led housing further into the high value for money category.

Benefits and public costs of community led housing



Benefit Cost Ratios and value for money categories of public funding for community led housing

	10 year horizon	30 year horizon
Narrow	Benefit Cost Ratio 1.8	1.8
	Value for money category Medium	Medium
Broad	Benefit Cost Ratio 2.7	3.1
	Value for money category High	High



Cooperatives run 25% of homes in Zurich e.g. Mehr Auf Wohnen

Cooperation is normal in Denmark -7% of residents



- Citizen's House in Lewisham.
- What makes CLT viable – people collaborating rather than arguing.
- Capital economics – value of this type of approach has returns of 1.8 - 3.1.
- Why do we not see more?
- 2014 Wolfson Economic Prize Winner Uxbridge Garden City in Oxford was turned down for 'not being popular' to people.
- 130 Baugruppen in Freiburg get together 5 fami-

- lies at a time and appoint an architect to design the homes.
- In Zurich 25 per cent of homes are being run by Cooperatives and recent referendum will increase this to a third. Mehr Auf Wohnen.
- In Denmark co-operation is normal as seven per cent of residents live in one.
- How do we get to smaller urbanisation?
- Ambition
- Brokerage

- Continuity
- Rachel Ferguson, Senior Development Manager, Pocket Living
- Another Sensible Policy
- Pocket Living is a small innovative developer. Partly backed by the Mayor of London providing discount market homes for first time buyers. - date they have delivered 1000 homes across 25 sites - 0.1 to 1 hectare.
- Lobby Government for presumption in favour of >>>

BRIEFING | LONDON PLANNING & DEVELOPMENT FORUM

development for small schemes which are affordable housing led.

- Only 10 per cent of homes are built by smaller developers, 35 years ago it was 40 per cent.
- Why do SME's and small sites deliver?
- In 2020 Pocket worked with Lichfields to commission a survey about why small sites no longer play a meaningful role in housing delivery.
- The headline was that a one size fits all planning system is disproportionately cumbersome for small sites. On average, it takes small sites 60 weeks to get through planning which is five times the statutory target. 25 per cent of these small sites required significant revisions.
- For SME building out small sites, time is the enemy as delays have detrimental impact on finances.
- At the end of last year, Government said they would consider a presumption in favour of development for affordable, small sites as part of the

next stage of the NPPF review.

- There is an existing small sites policy in the NPPF: 10 per cent of housing requirement on small sites of less than 1 hectare.
- Small sites are constrained and will not be able to meet every policy in a local development plan.
- A more flexible approach is needed for small brownfield sites where at least 50 per cent affordable housing is proposed.
- Tilt presumption in favour of development unless adverse impact would outweigh significant harm.
- They also suggest that viability assessment should not be required for sites that delivery over 50 per cent affordable homes.

PANEL DISCUSSION

Panelists:

Sanmi Adegoke CEO Rehoboth Property International, focussed on regenerating town centres and unlocking sites that don't have good

planning gains.

Dr Riette Oosthuizen Head of Planning at HTA Design, a lot of experience with local authority housing delivery, small sites and complex sites, and SMEs.

Michele Vas, Dentons, Partner, Particular interest in new towns and garden communities.

Lee Mallett Moderator

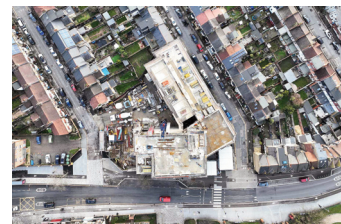
Discussion:

- LM asked MV how she would respond to the presentations. MV noted that she would not disagree with what was said. Green Belt is a big issue and in MV's experience LAs seem open to allowing very special circumstances for housing in the Green Belt. The amendments to the urban regeneration Bill have been brought about to appease backbenchers and that is politically cynical.
- RO- some of the changes are very short-sighted.



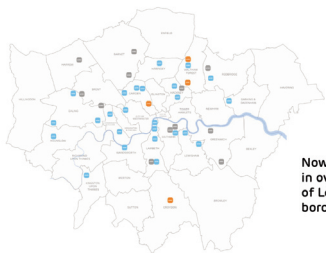
SME Sector - A Sorry State

- In 1988, SME housebuilders built 39% of new homes; now they build just 10%
- In 1988 there were over 250 registered 'medium-sized' companies, today there are just over 100
- SME insolvency rates have increased by 75% in 2022.
- 3,672 construction firms went insolvent, the highest level since the financial crisis over ten years ago.



Who are Pocket?

- Only SME developer delivering discount market sale homes in the UK
- Our focus has been on sites between 0.1 to 1 hectare in brownfield locations.
- Our achievements:
 - Almost 1,000 affordable homes delivered across 25 completed sites (<1ha)
 - Over 1,500 homes currently in planning or under construction



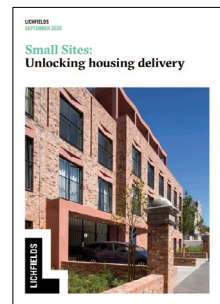
Now operating in over 65% of London's boroughs

Small Sites – Unlocking Housing Delivery

The 'one size fits all' planning system blocking SMEs bringing forward small sites:

- Planning determinations for small sites took on average almost 5x the statutory requirement – **60 weeks**
- Almost **1/4** of small developments require two or three successive applications to secure permission
- **75%** of the cases viability negotiations with councils represented a key blocker for schemes

There are many barriers which prevent small sites coming forward but prescriptive rules around tenure and mix on small sites are unnecessary impediments which if lifted could boost the SME sector.



Ministers consider planning shake-up to boost affordable housing

Consultation will look at reforms to allow for hundreds of thousands of new homes to be built on brownfield sites



Almost 30 developers, including the UK's biggest housebuilder Barrat Developments, have written their weight behind the 'small sites' proposal © Chris Radcliffe/Bloomberg

A revised small sites planning policy in the NPPF

The issue:

The current wording of Paragraph 69 in the NPPF does not have the teeth to bring forward small sites.

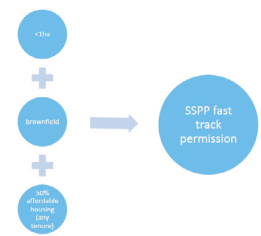
The aim:

Provide a more streamlined planning route for small sites to minimise risk and delays.

The solution:

A new Small Sites Planning Policy through minor tweaks to Paragraph 69.

The criteria:





For example, BNG contributions can be made to locations that are not connected to newly designed places. Taking the pressure off housing delivery figures is another reason for concern, as it could bring house building to a standstill in some areas. Street votes, which are being introduced, have not been talked about much but could be an effective tool for gaining local support for housing delivery, particularly on small sites and for affordable housing. There is also an absence of learning lessons and revisiting successful ideas.

- RO- we did not get a clear understanding of what the National Development Management Policies will be.
- SA is one of Brian's clients and it has taking them over 2 and a half years to get planning for three sites in South London. The planning system is slow and regressive due to resource and technical issues. An overhaul of the system is needed but there is no guidance for LPAs through the

reforms. There is also a disconnect between local and central government.

- BW- SA's example highlights that planning increasingly insists on building control calculations and asks for details which could be dealt with by conditions. The current consultation is clear that planning must not involve itself in any areas covered by other legislation. This needs enforcing.
- Audience Input: It would be great to see architects and planners working together to create a better environment but there seems to be increasing separation between the two disciplines. Planning is becoming more prescriptive, and it is illogical to prescribe design. The planning system should set parameters instead. Design codes could take this role but they are often prescriptive too.
- RO- that is the zoning system which is met with fear normally but it can work with plot passports and LAs that understand design codes.

- LM- can a metric be established for design?
 - Audience- Digitalisation has not been mentioned. Council websites seem incredibly archaic and it is almost impossible to download data. There is prop tech software such as LandInsight which simplifies a lot of research and there should be an open source version for Councils.
 - ML- Are Council's equipped for this change or would they need funding? Audience- it would be a long-term investment and they can't afford not to do it.
 - PB- Planners working from home is a real problem especially as not all information is digitised.
 - ME- Working from home is not an excuse, other companies and institutions can do it too.
- More generally, the discussion around a specific number of homes needed is a red herring. If we are concerned about affordability of housing we need to bear in mind we have an incredible income/wealth inequality in this country. 20-30 >>>

Revised Paragraph 69

Small and medium sized sites can make an important contribution to meeting the housing requirement of an area, and are often built out relatively quickly. To promote the development of a good mix of sites local planning authorities should:

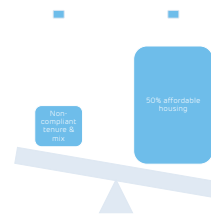
- Identify, through the development plan and brownfield registers, land to accommodate at least 10% of their housing requirement on sites no larger than one hectare; unless it can be shown, through the preparation of relevant plan policies, that there are strong reasons why this 10% target cannot be achieved;
 - use tools such as area-wide design assessments and Local Development Orders to help bring small and medium sized sites forward;
 - support the development of windfall sites through their policies and decisions – giving great weight to the benefits of using suitable sites within existing settlements for homes; ~~and~~
 - work with developers to encourage the sub-division of large sites where this could help to speed up the delivery of homes; and
- e) Where more than 50% affordable housing is proposed, planning permission should be granted unless:
- the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed or;
 - adverse impacts of doing so would significant and demonstrably outweigh the benefits and;
 - to provide a faster and more effective application process, there should be no requirement for a viability assessment

What Does This Mean In Practice?

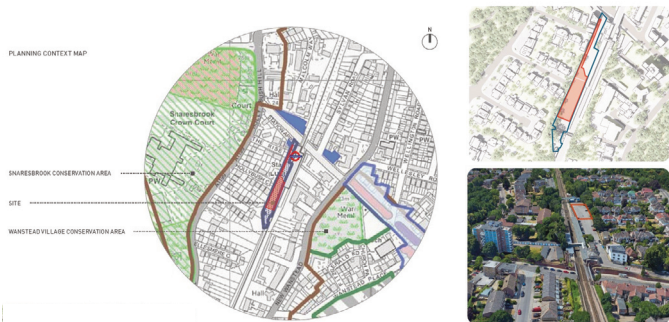
A titled balance: A scheme that meets the criteria should be granted planning permission if the benefits outweigh the adverse impacts

How this could benefit:

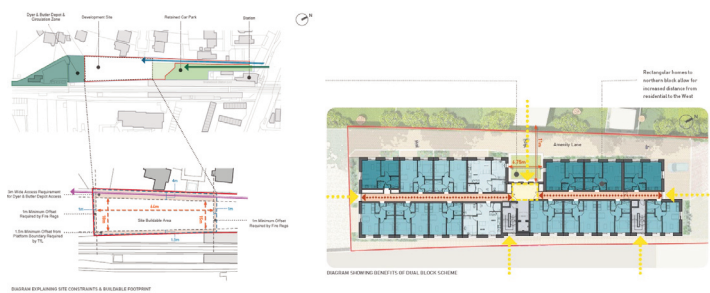
- **Flexibility on planning requirements** - provides a wrapper that would enable some innovation back into the sector
- **No lengthy viability testing** - determination periods (to committee) were halved where no viability testing was required



Snaresbrook - an example of the titled balance in practice



Snaresbrook - an example of the titled balance in practice



Snaresbrook - an example of the titled balance in practice

"any adverse impacts from the scheme are outweighed by the public benefits arising from the scheme. This would include the significant benefit from delivering 74 affordable new dwellings, which officers afford significant weight in reaching a balanced planning recommendation to grant permission"



The Opportunities

- Unlocking the potential of small sites
- SME Renaissance
- Delivery all forms of affordable housing





>>> per cent will never be adequately housed. Affordability in housing needs to be tackled and we need to be careful about what gets built.

- LM thought the Centre for Cities presentation pretty compelling. Britain is a country with a very unsatisfactory housing situation though not all can be attributed to the 1947 Town and Country Planning Act.

Lee Mallet

Closing Remarks

- Statistics by the Centre for Cities comparison with European housebuilding rates very compelling.
- Press coverage given to rising inequality bears out

how concerned people are about the lack of affordability and inequality. Affordability levels have dropped to those of 1880.

- Planning introduced in 1947 was about achieving fairness and equality and was a fundamental foundation for democracy.

- At a recent developer lunch, the developers defended planning and acknowledged that politics around planning is the problem. Specifically, a lack of political will - resolve the problem.

- It is impossible for private sector to deliver what society needs.

Tories want homeowners; labour wants council housing, and both are engaged in legal 'jerryman-dering' around housing policy.

- Rising inequality forces people to move out of London and this has impacts on businesses in London.

- In 2021 Lee worked on a major capacity study in Barking and Dagenham with HTA. There was an extra capacity for 7,000 homes on 11 of those estates. Viability was low but gave 50 per cent affordable plus big refurbishment costs.

- This is a plea for more dynamic partnerships to get the homes we want.

Get local authorities to make more of their property portfolios available for the private sector (not privatisation of Council Housing), which will require a shift in the fiscal thinking of the last 40 years and tackle directly the social inequality. ■



NEXT MEETING

2PM 5th JUNE

at HTA Design, 75-89 Wallis Road E9 5LN

Invited speakers:

Sarah Allan, Government Head of Design (confirmed)

Jorn Peters of the GLA & **Hollie Howe** of St Modwen Properties PLC on industry and logistics uses in London and the recent NLA report

email jm@axiomarchitects.co.uk if you wish to join us

