

Manchester City Council Report for Information

Report to: Economy Scrutiny Committee – 8 October 2020

Subject: Proposed Planning Reforms, Local Plan and Greater Manchester Spatial Framework

Report of: Director of Planning, Building Control and Licensing

Summary

This report covers the proposed response to the Planning White Paper, published for consultation by the Government which closes on 29 October 2020.

It also includes the response to the Government consultation on “changes to the current planning system” which required a response by 1 October.

The report then goes on to cover the recent changes to the permitted development rights regime, highlighting some of the potential challenges the new rights may bring to the city.

The report concludes with an update on the emerging Local Plan for Manchester and the next steps for the Greater Manchester Spatial Framework (GMSF).

Recommendations

The Committee is recommended to:

- Consider the response to the Planning White Paper set out in paragraphs 2.5 to 2.28 and in Appendix 1 of the report and provide any further additional comment they wish to add to the response;
 - Note the response to the consultation on “changes to the current planning system” in Appendix 2 which required a response by 1 October;
 - Note the recent changes to the permitted development rights regime and the potential challenges the new rights may bring to the city; and
 - Note the updates on the emerging Local Plan for Manchester and the next steps for the Greater Manchester Spatial Framework (GMSF).
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Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

The proposals in the Planning White Paper consultation from Government include direct matters addressing climate change. Moreover, many of the proposals set out in the consultation will have implications for how zero-carbon targets can be met in the city.

The updates on the emerging Local Plan for Manchester and the next steps for the Greater Manchester Spatial Framework (GMSF) deal with two plans that will contain/do contain policies that seek to deliver on the zero-carbon targets for the city.

Our Manchester Strategy outcomes	Summary of how this report aligns to the OMS
<p>A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities</p>	<p>The Planning White Paper includes proposals that will have an influence on this OMS outcome. Our response to the White Paper highlights our concerns with respect to aspects of the consultation that potentially will make the delivery of this outcome harder to achieve.</p> <p>The emerging Local Plan for Manchester and the Greater Manchester Spatial Framework (GMSF) will contain or do contain policies that support this outcome.</p>
<p>A highly skilled city: world class and home grown talent sustaining the city's economic success</p>	<p>The Planning White Paper includes proposals that will have an influence on this OMS outcome. Our response to the White Paper highlights our concerns with respect to aspects of the consultation that potentially will make the delivery of this outcome harder to achieve.</p> <p>The emerging Local Plan for Manchester and the Greater Manchester Spatial Framework (GMSF) will contain or do contain policies that support this outcome.</p>
<p>A progressive and equitable city: making a positive contribution by unlocking the potential of our communities</p>	<p>The Planning White Paper includes proposals that will have an influence on this OMS outcome. Our response to the White Paper highlights our concerns with respect to aspects of the consultation that potentially will make the delivery of this outcome harder to achieve.</p> <p>The emerging Local Plan for Manchester and the Greater Manchester Spatial Framework (GMSF) will contain or do contain policies that support this outcome.</p>

<p>A liveable and low carbon city: a destination of choice to live, visit, work</p>	<p>The Planning White Paper includes proposals that will have an influence on this OMS outcome. Our response to the White Paper highlights our concerns with respect to aspects of the consultation that potentially will make the delivery of this outcome harder to achieve.</p> <p>The emerging Local Plan for Manchester and the Greater Manchester Spatial Framework (GMSF) will contain or do contain policies that support this outcome.</p>
<p>A connected city: world class infrastructure and connectivity to drive growth</p>	<p>The Planning White Paper includes proposals that will have an influence on this OMS outcome. Our response to the White Paper highlights our concerns with respect to aspects of the consultation that potentially will make the delivery of this outcome harder to achieve.</p> <p>The emerging Local Plan for Manchester and the Greater Manchester Spatial Framework (GMSF) will contain or do contain policies that support this outcome.</p>

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

White Paper: Planning for the Future (August 2020), Ministry of Housing, Communities and Local Government

Changes to the current planning system (Consultation on changes to planning policy and regulations) (August 2020), Ministry of Housing, Communities and Local Government

1.0 Introduction

- 1.1 This report covers the proposed response to the Planning White Paper, published for consultation by the Government which closes on 29 October 2020. Appendix 1 contains a full response to the White Paper setting out proposed answers to the various questions posed. The report below summarises the response drawing out key matters for consideration.
- 1.2 Appendix 2 contains the agreed response to a parallel Government consultation that concluded on 1 October – “Changes to the current planning system”.
- 1.3 The report then briefly considers the recent changes to the permitted development rights and use class orders, highlighting some of the potential challenges the changes may bring to the city.
- 1.4 The report concludes with an update on the emerging Local Plan for Manchester and the next steps for the Greater Manchester Spatial Framework (GMSF) are also included.

2.0 Background

Planning White Paper

- 2.1 The White Paper contains a wide range of proposals that, if enacted through new primary and secondary legislation, would present a significant change from the current system of plan making and development management decision process. The main theme running through of all the paper is an intention to “simplify” the planning process. Previous attempts at simplifying planning have generally ended up leading to the opposite outcome and posing significant challenges to the delivery of key outcomes to support the growth of the city. The consultation also focuses heavily on proposals to increase the further digitalisation of both local plan and development management processes.
- 2.2 The White Paper is split into “Three Pillars” which cover the following topics:
 - Pillar One – Planning for Development;
 - Pillar Two - Planning for beautiful and sustainable places; and
 - Pillar Three - Planning for infrastructure and connected places.
- 2.3 The proposed reforms can be summarised as follows:

Pillar One

- Local Plans focusing on the identification of three types of land area that will be designated on maps (growth areas; renewal areas and areas that are protected;
- The majority of development management policies will be established at national scale and set out in a revised NPPF;

- A new single statutory “sustainable development” test, replacing the existing tests of soundness used by Inspectors at the examination of local plans;
- Replacement of the current “Duty to Cooperate” required as part of the local plan process with other strategic cross-boundary processes (not defined in the White Paper);
- Changes to the “Standard Method” for determining housing need and proposals regarding how housing requirement may be considered;
- Land in growth areas would be granted an outline permission when the local plan is adopted and land identified as a renewal area would have a “presumption in favour of development”;
- A streamlined and digitally enabled end to end process which is proportionate to the scale and nature of the development proposed, to ensure planning decisions are made faster;
- Local Plans to be visual and map-based, standardised, based on the latest digital technology, and supported by a new template;
- A new statutory timetable for key stages of the local plan process will be introduced (30 months);
- Retained role for neighbourhood plans; and
- Expectations that the delivery of sites (build out rates) will improve.

Pillar Two

- General questions on views on the current state of design in new developments and sustainability issues;
- Design guides and codes are identified as a key aspect that will either feature in the local plan or be prepared as supplementary planning documents;
- Government to publish a National Model Design Code later this year;
- Establishment of a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making;
- Proposal to consider how design might be given greater emphasis in the strategic objectives for Homes England:
- Government intend to introduce a fast-track for beauty through changes to national policy and legislation;
- Proposal to amend the National Planning Policy Framework to ensure that it targets those areas where a reformed planning system can most effectively play a role in mitigating and adapting to climate change and maximising environmental benefits;
- The design of a quicker, simpler framework for assessing environmental impacts (Environmental Impact Assessments of planning applications and Sustainability Appraisal of Local Plans) and enhancement opportunities;
- A review and update of the planning framework for listed buildings and conservation areas; and
- Improving energy efficiency standards in buildings

Pillar Three

- A new Infrastructure Levy that would incorporate both the previous Community Infrastructure Levy and Section 106 developer contributions into one system;
- It is intended that the scope of the Infrastructure Levy could be extended to capture changes of use through permitted development rights;
- Recognition that the removal of developer contributions would impact on the delivery of affordable housing and therefore the reformed Infrastructure Levy would be capable of seeking affordable housing provision;
- More freedom could be given to local authorities over how they spend the proposed Infrastructure Levy. It is suggested that local authorities could spend receipts on other policy priorities, once core infrastructure obligations have been met.
- Exploring ideas around public assets and investments;
- Exploring potential changes to enable more flexible development corporation models;
- Making sure the system has the right people and skills; and
- Stronger enforcement through a review and strengthening of existing planning enforcement powers and sanctions.

2.4 Appendix A sets out in full the proposed responses to the various matters considered in the White Paper. There is clearly a lot of detail that is not available at the moment to help inform our responses. Nonetheless, it is clear that the proposals represent a significant challenge in how we use the planning system to enable and deliver key outcomes for the city including economic and sustainable growth, jobs and new homes. The sections below draw out the key aspects from the proposed response.

Pillar One

- 2.5 The proposals for local plans present a very different type of plan to the current Core Strategy adopted in 2012. The main concern with the White Paper proposals is that they would not provide flexibility through what is effectively a zoning process. This rigidity does not allow for change in circumstances and for the planning process to adapt to emerging needs of an area. Moreover, the three proposed area types do not reflect the complexity of a major urban area like Manchester where areas of what might be categorised as growth, renewal and protection are intertwined.
- 2.6 There would also be tension between proposals for much of the development management policy framework to be set at a national level; this would diminish the opportunity for locally distinctive policies that reflect specific local conditions and drive our priorities. It is fundamental there is a local context to Development Management Policies. These have regard to local circumstances and it is simply not possible to have a one size fits all policy.
- 2.7 Whilst we consider there is some merit in reviewing the current tests of soundness, we find it hard to comment on the sustainable development test

proposal in the White Paper as there is no specific detail as to what the test would cover beyond stating it would consider “sustainable development”.

- 2.8 The proposal to remove the duty to cooperate needs further detail for a considered discussion. Clearly in Greater Manchester, there has been a long history of local authorities working together on strategic matters where appropriate.
- 2.9 We note that the proposals in effect continue the established approach of a standard method, albeit with some changes proposed that are set out in the accompanying consultation on changes to the current planning system. We therefore reiterate the points we have made with regard to the proposals in the changes to the current planning system consultation (consultation closed 1 October). Further details on that consultation are set out in Appendix 2.
- 2.10 We have significant concerns with respect to the changes to the development management process which would see the introduction of deemed outline consents and the presumption in favour of development that will be hardwired into the local plan process. This would undermine the ability of local communities and councils to manage development and shape how their area develops in future. As an example land in renewal and growth areas would be subject to, respectively, an automatic permission in principle or presumption in favour of development. Any detailed matters would be delegated to officers only.
- 2.11 The proposals around digital solutions need to recognise that the current decision making process already relies on a significant digital based approach. Often delays in the decision making process are down to other factors which includes applicants either not responding quickly or the absence of good quality information. The White Paper again lacks detail on what is actually going to happen to allow for further informed comment. A significant omission in this section is any acknowledgment that local communities do not have equal access to digital technology. The continued push towards online solutions must ensure that access is still equally available to people without the means to acquire or use digital approaches.
- 2.12 The proposal to significantly simplify the volume of material submitted in support of an application is not supported. LPAs have worked hard to ensure the level of information provided allows for proper decision making. It is important the quality of information whilst remaining proportionate to the proposal allows for all issues to be fully addressed and for communities to maintain confidence in the process.
- 2.13 The proposals for Local Plans to be more visual and map based appears to ignore the fact that existing local plans have policies maps which are already readily available online. Moreover, in the case of Greater Manchester, significant levels of mapped information is presented as a shared resource via the MappingGM website.

- 2.14 Given the proposals set out previously in the White Paper, we have significant doubts that a 30 month timescale would be achievable. The process proposed will simply not be able to resolve the complexities surrounding a multitude of increasingly detailed planning matters presented by the influx of sites into the plan.
- 2.15 Neighbourhood plans have a role, where appropriate, within the planning process. In complex urban areas such as Manchester, it is crucial that any neighbourhood planning process is complementary to the fabric of other key processes including the local plan and associated non statutory planning frameworks.
- 2.16 With respect to build out rates, Manchester does not follow the pattern set out in the White Paper. The city has seen sustained significant growth based on a strong pipeline of delivery. Manchester has a track record of delivering major projects with timely planning decision making to start on site. The nature of development from bespoke residential projects to large commercial schemes particularly in and around the city centre, has meant that delivery timescales have inevitably been different to the types of schemes considered in the Letwin Review (focusing on traditional housing sites). The issues around build out are not in our experience planning related.

Pillar Two

- 2.17 The ideas around design guidance and codes will need to be carefully considered alongside existing design guidance that the city already has. Manchester City Council is proud of the high quality development within the city and believes firmly that the Council and its residents are best placed to judge what is beautiful and appropriate for the area. Manchester takes a holistic approach to design, this is not just about appearance but how safety, inclusive access and a response to climate change are embedded from the beginning to delivery.
- 2.18 Manchester would not support a new central body if it took away the ability of the Council to make decisions locally on what type of development is appropriate for the area.
- 2.19 We agree that it is important Home England ensure design principles are embedded within their processes. However, it is important that any decision on what is considered 'beautiful' is taken locally. Manchester City Council agree that Homes England should consider the quality of spaces for example size of rooms and light as part of its objectives.
- 2.20 The Council would object to proposals that could be considered via a 'fast-track' route. Producing and consulting on locally agreed codes/guides is a very extensive process and once in place will need to be reviewed regularly. In addition any proposals will still need to be given proper consideration both by the Council and the current and future residents. Moreover, we do not agree with the proposal to widen the nature of permitted development as this often leads to poor quality development and places that are far from 'beautiful'. This

was very clearly evidenced in the case to the Secretary of State for the Article 4 that now exists to prevent changes of use from office to residential.

- 2.21 In broad terms, the White Paper proposals around climate change and maximising environmental benefits are in line with the Council's policy approach. However, this is yet another part of the White Paper where there is no detail regarding how this will be achieved save for some reference to the role of other legislation/reviews for all future detail on environment policy.
- 2.22 We are concerned about the potential impacts of a "quicker, simpler framework" for assessing environmental impacts, with again detail lacking on what this might mean. The risk is that under the proposed reforms SEA and EIA will be lost or watered down in an effort to speed up planning.
- 2.23 The Council does not support the proposal that "suitably experienced architectural specialists can have earned autonomy from routine listed building". Outsourcing the role of giving consent to work on listed buildings would cause great confusion over accountability and is a recipe for disaster.
- 2.24 In terms of improving energy standards for buildings, the White Paper refers to the proposed Future Homes standards. The Council is already committed via its Climate Change Action Plan to deliver a net zero carbon city by 2038 at the latest, which exceeds the national target of 2050. To deliver on this commitment, the current action plan identifies key activities across a range of measures including planning policy and decision making. The Council is therefore clearly seeking to deliver and indeed to exceed against the national targets suggested in the White Paper.

Pillar Three

- 2.25 The White Paper proposes significant changes to infrastructure funding through the changes proposed to section 106 and the introduction of a new Infrastructure Levy process. The proposal is not supported. There are significant concerns about the establishment of a consolidated Infrastructure Levy. There is a current lack of detail in the White Paper as to the levels that may be proposed. Experience around the country has demonstrated there are significant variations in the values that can be captured from development. It is essential therefore that individual local authorities can continue to apply their own locally derived policies and approaches to deal with their specific circumstances.
- 2.26 The expansion of contributions into permitted development is not supported via the Infrastructure Levy route. We would prefer that such a proposal is considered through the existing developer contributions route. Manchester does not agree with the general proposition of a new levy as set out above and does not support the expansion of permitted development rights for a raft of reasons – not simply the inability to capture CIL/s106.
- 2.27 In terms of more freedom for how the proposed Infrastructure Levy could be spent, we would prefer that further consideration is given to the operation of

the developer contributions regime. The recent easing of restrictions that has already taken place with respect to developer contributions is an example of that approach. In terms of securing the provision of affordable housing we would prefer this is done through a proposal linked to the existing developer contribution route. In the majority of cases we would want to secure the provision of affordable housing on site unless there were valid reasons why this would not be practical. Where affordable housing cannot be provided on site a commuted sum would be ring fenced in a secure account (Manchester's Housing Affordability Fund). This fund would be strategically deployed to support the delivery of affordable homes within an agreed area (the Manchester boundary).

- 2.28 There are no specific questions for the proposals around public assets; development corporations; ensuring the system has the right people and skills; and stronger enforcement powers; and it is therefore information to note.

Permitted Development Rights and Use Class Order Changes

- 2.29 The Government has introduced a number of changes to the system of permitted development rights and use class orders for different types of development over the summer. The permitted development rights changes include:

- Allowing the demolition of a detached purpose built block of flats, or of a detached commercial building falling within the B1(a), (b) or (c) use classes; and construction of new build C3 residential development on the site. Prior approval will be required rather than full planning permission. The existing building must have been vacant for at least six months from the date that the prior approval is applied for, and the new residential development must be either a single detached house or a detached block of flats. The scope in terms of the types of existing building which qualify is limited excluding any building greater than 1,000 square metres, buildings in conservation areas, buildings within 3km of an aerodrome, buildings built after 31 December 1989, and buildings rendered unsafe or uninhabitable by action or inaction of an owner where it is practicable to secure safety or health by works of repair or temporary support.
- Allowing as permitted development the extension upwards by a further two storeys on existing blocks of flats subject to a maximum height of 30 metres for the overall height of the whole development (i.e. including the existing development). Developers will still need to go through a prior approval process with the local authority before commencing any work.
- Allowing additional extensions on single dwellings.
- Ensuring new homes developed through permitted development rights provide adequate natural light for the occupants.

2.30 The changes to the Use Class Orders are set out below.

- A new Class E covering commercial, business and service uses will replace the current use classes of B1 (offices and light industrial), A1 (retail), A2 (financial and professional non-medical services eg solicitors, estate agents), A3 (cafes/ restaurants) and parts of D1 (Clinics, health centres, crèches, day nurseries, day centre) and D2 (Gymnasiums, indoor recreations)
- A new Class F.1 (Learning and non-residential institutions) will replace parts of D1 (Schools, non-residential education and training centres, museums, public libraries, public halls, exhibition halls, places of worship, law courts)
- A new Class F.2 (Local community uses) will replace parts of D2 (Hall or meeting place for the principal use of the local community, Indoor or outdoor swimming baths, skating rinks, and outdoor sports or recreations)

2.31 The proposed changes to permitted development and use class changes require careful consideration as to whether additional Article 4 Directions may be appropriate to manage the quantum and mix of development in key parts of the City (akin to the previous introduction of Article 4 Direction to manage development proposals from offices to residential uses).

2.32 Our previous experience in bringing forward the Article 4 directions with respect to changes from commercial to residential uses illustrates the potential challenge behind the new permitted development rights. The Article 4 process required an evidence base to demonstrate the justification for making the Article 4. The overarching rationale focused on demonstrating that:

- Manchester is a nationally significant area of economic activity;
- The loss of economic uses would have substantial economic consequences at the local level;
- The City can effectively accommodate both employment and residential growth within its boundaries and has plans in place to do so; and
- There is a need and rationale for maintaining high quality residential development standards if wider ambitions are to be achieved.

2.33 Recent research published by MHCLG on previous changes to permitted development rights (offices to residential) has also highlighted significant concerns about the quality of development that resulted from the changes. A number of cases around the country have been highlighted in the professional and general media demonstrating poor design and living conditions for new occupants of the converted office buildings.

Manchester Local Plan

2.34 The emerging Local Plan for Manchester commenced with an Issues Consultation earlier this year. Since then, relevant evidence has been and is continuing to be assembled to inform the plan. It is appropriate to consider the

timetable for the next stages of the plan in the light of the current Covid19 pandemic and the emerging recovery response that the City Council is developing. Moreover, the publication of the Planning White Paper and changes to the timetable for the GMSF have a bearing on the potential next steps with respect to the Local Plan timetable.

- 2.35 The Issues Consultation yielded just over 562 responses from residents, businesses, campaign and interest groups, statutory organisations and developers/landowners. The responses ranged across all the issues considered in the consultation with responses that were received later in the consultation picking up the potential impacts of the Covid 19 pandemic. A summary of the key issues raised by consultees is set in Appendix 3.
- 2.36 The next steps for the Local Plan include the consultation on a Scoping Report for the Integrated Assessment; analysis and further commissioning of key elements of evidence base; and the development of a draft Local Plan. The current work being undertaken on the reset of the Our Manchester Strategy will also prove invaluable in providing further feedback on how residents and organisations see the future of Manchester particularly in the light of the recovery from the Covid19 pandemic.
- 2.37 The Issues Consultation set out an intention to consult on a draft Local Plan in winter 2020/21. There has been a need to consider the timetable as a result of the need to understand the recovery approach to the Covid19 pandemic; delays to the Publication version of the GMSF (see next section for more details on GMSF); and the significant proposals published in the Planning White Paper previously discussed in this report. It is therefore proposed that the draft Local Plan will now be consulted upon in summer 2021. Notwithstanding that delay to the proposed consultation on the Local Plan, it is anticipated that the plan can still be adopted in 2023 as previously envisaged.

Greater Manchester Spatial Framework

- 2.38 The GMSF is reaching an important stage with a final Publication version of the plan due to be consulted on from early November until 31 December 2020. The plan is then intended to be submitted for examination in summer 2021. The Council's Executive will be considering a report on 14 October 2020 recommending approval of the Publication consultation.
- 2.39 The plan includes specific policies and allocations that directly relate to Manchester including:
- A Spatial Strategy that identifies the significant agglomeration of economic activity at the centre of Greater Manchester within the City Centre and a wider central economic area that includes Central Park and the Etihad campus; the inner areas of the city region, surrounding the City Centre that benefit from a position adjacent to an enormous concentration of economic activity; and to maximise the benefits to Greater Manchester of the continued operation and sustainable growth of Manchester Airport; and Specific allocations at Medipark Extension, Global Logistics and Southwick

Park that set out key economic developments to further develop the opportunity that the Medipark Extension offers because of its proximity to Manchester University NHS Foundation Trust (Wythenshawe Hospital) and the wider Roundthorn Medipark Enterprise Zone development is significant; Global Logistics as a key location close to a major international airport, and with improvements to local transport infrastructure, can play a full part in maximising future economic growth; and Southwick Park delivering a specific housing opportunity.

- 2.40 This version of the GMSF will be the third draft plan produced. Although representations are invited at Publication stage, these are then submitted to the Secretary of State along with the draft plan and considered at the Examination in Public. If major new issues arise at the Publication Consultation stage there would need to be further consultation prior to any submission of the plan.

3.0 Recommendations

- 3.1 The Planning White Paper consultation closes on 29 October 2020. This report and the accompanying appendix A, set out a suggested response. We will collate any further comment received by the Economy Scrutiny Committee and include that in the response to be signed off by the Executive Member for Environment, Planning and Transport; and the Executive Member for Housing and Regeneration.
- 3.2 The response to the Government consultation on “changes to the current planning system” was due by 1 October. Appendix 2 is therefore provided for information.
- 3.3 The proposed changes to permitted development and use class changes require careful consideration as to whether additional Article 4 Directions may be appropriate to manage the quantum and mix of development in key parts of the City (akin to the previous introduction of Article 4 Direction to manage development proposals from offices to residential uses).
- 3.4 The updates on the emerging Manchester Local Plan and the Greater Manchester Spatial Framework have been provided for information. We will continue to update members at appropriate points about progress on the Local Plan and GMSF.