

LICHFIELDS  
SEPTEMBER 2020

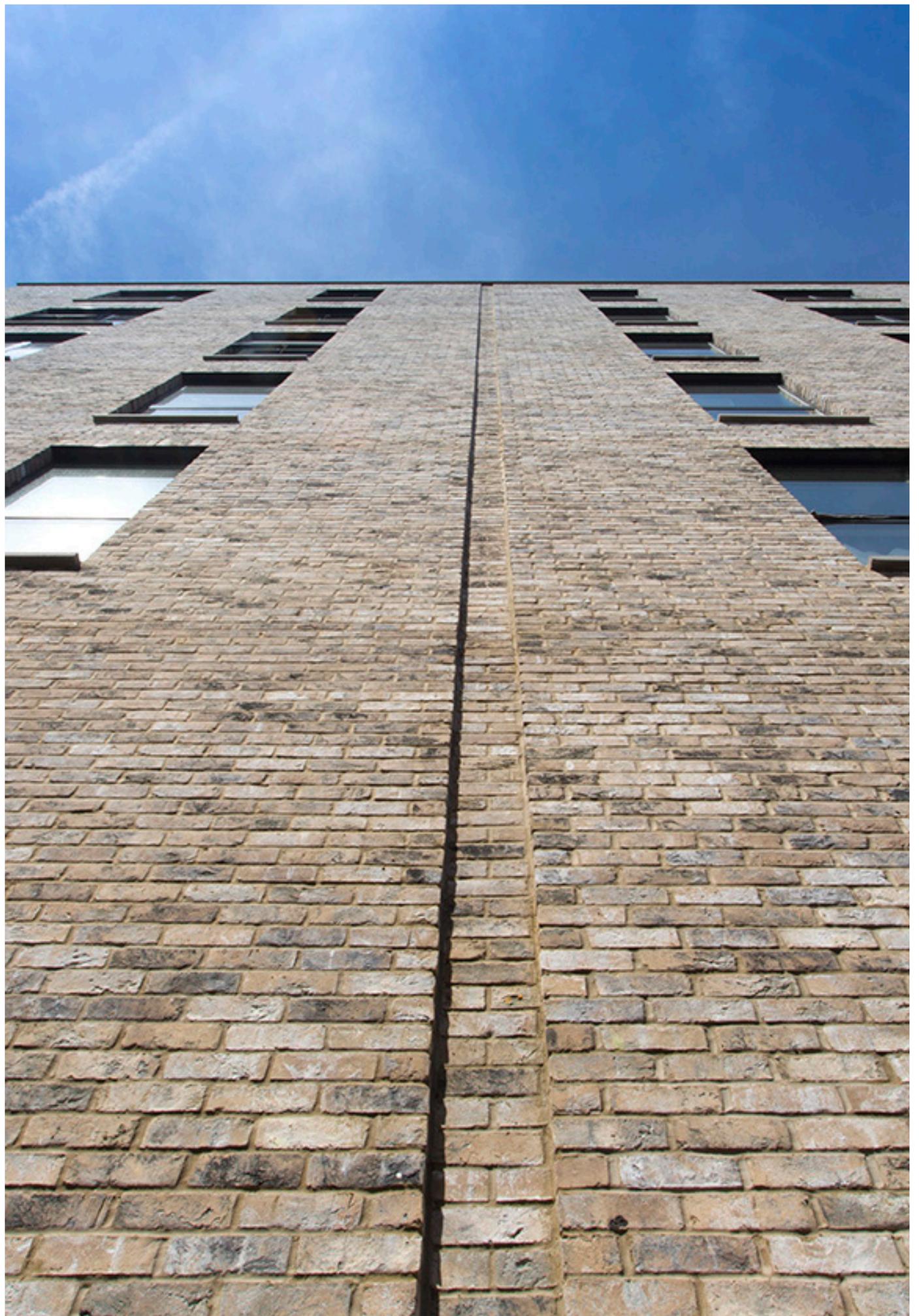
# Small Sites: Unlocking housing delivery



LICHFIELDS

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## **Executive summary**

This report analyses why small sites are not playing a more meaningful role in the UK's housing delivery. Based on a sample of 60 developments across London, 10% of the small sites granted planning permission in the Capital in the last three years, it considers the journey of developments on small sites through planning and the constraints and challenges that they encounter.

As the Government looks to reform the planning system, increase housing delivery and increase the role of urban land, the research and its findings have nationwide relevance and provide the evidence to help inform discussions on planning reform<sup>1</sup>.

<sup>1</sup>MHCLG 2020, Planning for the future.



The current planning system is complicated, favours larger developers and often means that much needed new homes are delayed.

**MHCLG, August 2020 Summary paper**

# Key figures

60

The Sample is made up of 60 planning permissions for between 10 and 150 homes.

2,666

The Sample constitutes 2,666 homes including 485 affordable home.

60 weeks

The average determination period for planning applications for development on small sites is well over a year – c. 60 weeks from validation to planning permission.

1

Only one of the 60 permissions was determined within the statutory 13 week period and just two met the Government's 26 week planning guarantee.

2 years

A fifth of permissions took longer than two years from validation to decision (eight times the statutory 13 week period).

23 weeks

Even once the decision to grant permission has been made at committee, with the S106 heads of terms as part of the committee report, it takes 23 weeks to finalise the S106 agreement and issue a planning permission.

71 weeks

The more complicated the affordable housing requirements the longer planning takes: permissions with mixed tenure affordable housing took 71 weeks compared with 56 weeks for permissions with only intermediate homes.

17 weeks

Where viability assessments are not required it takes half the time to get to committee. BUT the time taken (17 weeks) is still protracted.

75%

In 75% of the cases, affordable housing and viability was one of the main issues in determination, with a third of the cases delayed by protracted debates over land value.

23%

Just under a quarter of permissions on small sites require two or three successive planning applications to secure permission supporting the need for a more proportionate, less complex approach.

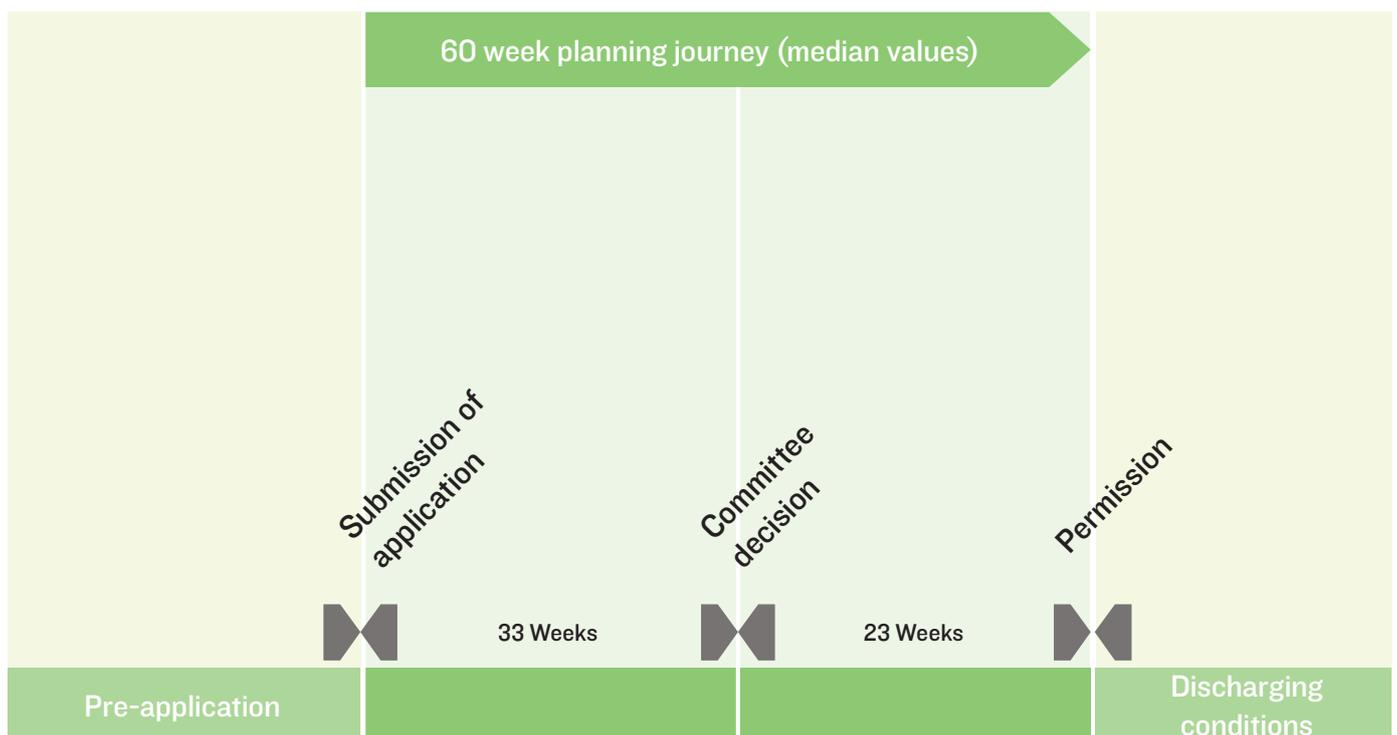
40%

Two fifths of the first time permissions require major amendments during determination.

The current one-size-fits-all planning system is disproportionately complex and cumbersome for small sites. The system is inadvertently causing delays in the determination of applications, inhibiting development viability and limiting the delivery of new homes on small sites. It in part explains why there are now comparatively few small developers left building homes.

A series of recommendations are drawn from the research findings to help inform ongoing discussions on planning reform to help harness the housing delivery potential of small sites. The recommendations include:

- The NPPF should go further in its recognition of the importance of small sites, requiring local authorities to take a proportionate approach to planning for small sites and supporting their swift delivery
- Granting Permission in Principle (PiP) on brownfield sites which are smaller than 0.25 hectares, well-served by public transport/local amenities and where at least 40% of the homes will be affordable through a payment in lieu or a single tenure on-site intermediate affordable housing component.
- To expedite and aid delivery, ensure that the technical consents stage of the PiP process is akin to prior approval; it should be a consideration of any required assessments and NOT the merits of the proposal against the local plan.
- Speed up delivery with a streamlined process after a determination with planning conditions kept to a minimum, especially pre-commencement, and deemed approval of conditions six weeks after their submission.
- In advance of more substantive changes to the SIO6 process, the Government should enforce firm deadlines for the conclusion of SIO6 agreements to ensure faster delivery of new homes.
- Tenure simplicity for small sites. For small brownfield sites (less than 0.25 hectares) that exceed the affordable housing threshold, and in advance of more substantive reform, the NPPF should stipulate two affordable housing routes: a payment in lieu or on-site delivery of single tenure intermediate affordable homes to avoid protract negotiations on tenure and mix expectations hindering both permissions and implementation.



# Foreword



Small sites were once an important contributor to the UK's wider housing supply. Thirty years ago, 40% of the country's homes were delivered by small builders. Today it's only 12%. Property development has become the domain of big business and big sites.

In Planning for the Future, the Government's White Paper has recognised the challenges faced by small sites and small developers and is proposing ways to address these. This research provides a timely contribution to the debate about what measures are necessary to unlock small sites.

As Chief Executive of a company focused on delivering affordable homes on small sites, I know there is huge potential for SMEs to step up and play a meaningful role in housing delivery plus make a proper contribution to affordable housing. By taking an in-depth look at the journey of small sites in the Greater London area this research shows that the current one-size-fits-all approach to planning on large and small sites just doesn't work.

Of the small sites analysed in this randomised sample, 98% took longer than the statutory period of determination, with the average delay being more than four times longer than the statutory requirement of 13 weeks.

As a small developer, time is your enemy. In part because you only have so many active sites at any time so delays really cause havoc with your finances. But also, because unlike

larger developers you are having to put more equity into projects, so planning delays in a very real sense cost you money. This is exacerbated by the higher cost of finance with the interest bill rising with every extra week spent securing planning permission. In short, protracted and uncertain planning journeys often mean the difference between make or break.

This research by Lichfields shows that in three quarters of the sites analysed, viability and affordable housing was a principal delaying issue. A third of the sites were stalled due to disagreements between councils and developers over land values and the affordable housing offer. We are asking small sites to do too much. Judging them on the same basis as large sites when they have little space to physically and viably accommodate multiple tenures inhibits delivery and creates disputes.

To end on a positive note. Small sites can and frankly should deliver homes faster, including affordable homes. Pocket has been delivering 100% affordable homes on small sites now for fifteen years. Why? – because we take a simple approach to tenure and deliver beautiful buildings.

Small sites can play a role and with a clear and simple path we could witness a renaissance in small, beautiful buildings that thread our streets and give places distinction and identity.

**Marc Vlessing,**  
**Chief Executive Officer, Pocket Living**



It is a very important time for planning and the house building industry. The Government is proposing major reform to the planning system to help increase the delivery of new homes and boost economic recovery. Smaller developments on urban sites have a critical role to play but are inhibited by a complex and cumbersome planning system that fails to differentiate between small and large schemes.

Lichfields is pleased to have teamed up with small sites specialist Pocket Living to investigate the planning and delivery of new homes on small sites and the issues faced by smaller developers. Our analysis draws upon a sample of 60 developments at small sites across London. It interrogates how long it takes to obtain planning permission and deliver new homes, whether there are delays, and if there are, what is causing them.

The conclusions are compelling. It is clear that the planning process is taking far too long on small sites and the challenges associated with dealing with viability and affordable housing issues are the main causes of delay. Too few planning permissions for small sites are being delivered, especially where developers are tasked with delivering multiple types of affordable housing on small sites and where applicants are required to accept non-viable affordable housing levels to secure permissions.

The study makes timely recommendations to inform discussion around the Government's White Paper, Planning for the Future, to help unlock the huge potential of small sites and small developers in the delivery of new homes on brownfield sites in the future.

**James Fennell,**  
**Chief Executive, Lichfields**



# 1.0 Introduction

There has been much speculation as to why the role small developers and small sites has declined over the last decade but to date there has been no detailed site level analysis which seeks to understand the causes. This analysis of housing permissions on small sites in London has been undertaken by Lichfields in conjunction with small sites specialist Pocket Living. The purpose of the research is to help understand why small sites are not playing a more meaningful role in the delivery of new homes and affordable housing. The London-based analysis enables lessons to be drawn for future housing development on small sites more widely. This is especially pertinent as the Government<sup>3</sup>, and the Mayor of London<sup>4</sup> enact planning reforms to increase housing delivery and consider how development can help the post-COVID-19 economic recovery.

Housing delivery on small urban sites remains a national priority and a national challenge. Policy makers recognise the potential offered by small sites and acknowledge the limitations imposed by the current system. In Planning for the Future (August 2020), the Government recognises both the importance of urban housing delivery and the constraints and challenges imposed by planning processes. The Government is proposing two immediate changes to the system that they consider would significantly help the delivery of small sites; increasing the affordable housing threshold to 40 or 50 homes and extending Permission in Principle to 150 homes. This research shows that reform is certainly needed but a threshold approach is only an interim measure and more fundamental change is necessary to support the growth of small site development and boost housing delivery.

Small sites data is not collected nationally. London is the only region which maintains a record of small sites' planning performance for the last three years. This is the first time a detailed analysis has been undertaken to understand their journey through the planning system.

The research focuses on the journey of developments of between 10 and 150 homes on residential sites smaller than 0.25 hectares. The research is not concerned with

developments under ten homes which fall below the current threshold for affordable housing. It is based on a sample of 60 planning permissions approved across London in the three years to 1 April 2020 drawn from the Greater London Authority's London Development Database. The sample size equates to over 2,666 homes with planning permission and constitutes 10% of the planning permissions on small sites in the capital during this period that meet our assessment criteria<sup>5</sup>.

The Government's White Paper places a greater emphasis on the delivery of housing in urban areas. The proposed new standard methodology for assessing housing need would result in three quarters of housing delivery being in urban local authorities<sup>6</sup>. Many of these developments will be on small sites with fewer than 150 homes; speeding up their delivery is critical to meeting the Government's housing target and delivering the homes we need. As such, the London data set provides some useful lessons as to where the current challenges lie.

The analysis identifies the timeframes for determination of planning applications on small sites and the constraints and delays these applications are encountering. The aim is to shine a light on this important area of the development sector.

<sup>3</sup> <https://www.gov.uk/government/news/pm-build-build-build>

<sup>4</sup> <https://www.london.gov.uk/what-we-do/housing-and-land/buying-home/intermediate-homes-london>

<sup>5</sup> The assessment criteria on which the research is based are outlined at Section 3.0.

<sup>6</sup> MHCLG 2020. Changes to the current planning system-Consultation on changes, 2020.

## 2.0

# Background and Policy Context

The Government is committed to a national housebuilding target of 300,000 new homes annually and one million homes by the end of this Parliament<sup>7</sup>. The Government has also been clear that the house building industry is key to the country's economic recovery from the COVID-19 pandemic<sup>8</sup>.

The "Planning for the Future" policy paper (August 2020) sets out the Government's ambition to secure well-planned development on brownfield land; encouraging greater building in urban areas with an emphasis on good design. It recognises that the current system is unfavourable to small developers; highlighting that smaller firms feel the complexities of a one-size-fits-all planning system. The risks and delays inherent to the current system are challenges to building more homes (ibid).

Alongside the White Paper, the Government is consulting on two short term changes that they consider would significantly help the delivery of development on small sites; increasing the affordable housing threshold to 40 or 50 homes (for a period of eighteen months) and extending Permission in Principle to developments of fewer than 150 homes.

It is well recognised by policy makers<sup>9</sup> and the house building industry<sup>10</sup> that small sites can collectively play an important role in delivering the homes needed in London and other UK cities. As recognised by the HBF (ibid) and in the Government's latest consultation "Changes to the current planning system", development on small sites is typically delivered faster than larger schemes; ensuring that permissions quickly become homes. Smaller developments tend to be built in single phases and are not reliant on new infrastructure delivery. They do not suffer from delays in bringing homes to market (the absorption rate), as identified in the Letwin review<sup>11</sup>.

The Government consultation<sup>12</sup> highlights the challenges faced by small builders:

Thirty years ago small builders were responsible for 40% of new build homes compared with 12% today. The membership of builders' professional bodies has also dropped in that period from over

12,215 to 2,710. In a recent survey (NHBC, 2017 Small house builders and developers, current challenges to growth) of over 500 small firms, they cited their main challenges as the planning process and its associated risks, delays and costs. The survey showed:

- 38% (the highest number) voted this their main challenge and 31% the second highest;
- the majority of firms said the costs of the planning process were getting worse;
- almost two-thirds said the length of time and unpredictability of the system were a serious impediment to homebuilding.

The potential for small sites to make a greater contribution to housing delivery has been acknowledged by the Government in its amendments to the NPPF and by the Mayor of London, through introducing a small sites policy to the draft New London Plan. Indeed, the draft plan targets a 14% increase in annual delivery from small sites over the plan period compared to the 2004 to 2016 trend for London as a whole<sup>13</sup>. Supporting smaller builders has also been a central plank of Government housing policy for at least a decade; most recently through initiatives such as the ENABLE Build loans. This £1bn loan guarantee scheme was launched through the British Business Bank in 2019 to support finance for smaller housebuilders and to help address the challenges faced by smaller housebuilders in accessing finance.

Unfortunately, this national and strategic recognition has not resulted in a material uplift in the delivery of housing on small sites. Instead, there has been a sustained decline in housing delivery on small sites over many decades. SME builders now account for just one in ten new homes in the UK, compared to a peak of nearly half in the early 1980s (ibid). In London, there was a 50% decrease in small housing developments between 2006 and 2016.

This progressive diminution in housing development on small sites is partly due to long term consolidation in the housebuilding industry and economic factors, but is also considered to be a function of the planning system imposing complex planning policy on small sites. Local Plans contain

<sup>7</sup> Planning for the Future 2020. Lichfield's calculations of the new Standard Methodology for calculating Housing Need currently being consulted on implies a higher target of 337,000, an aggregate of all local authorities' housing need nationally.

<sup>8</sup> Johnson, B (2020) Build Build Build Economy Speech: 30 June 2020

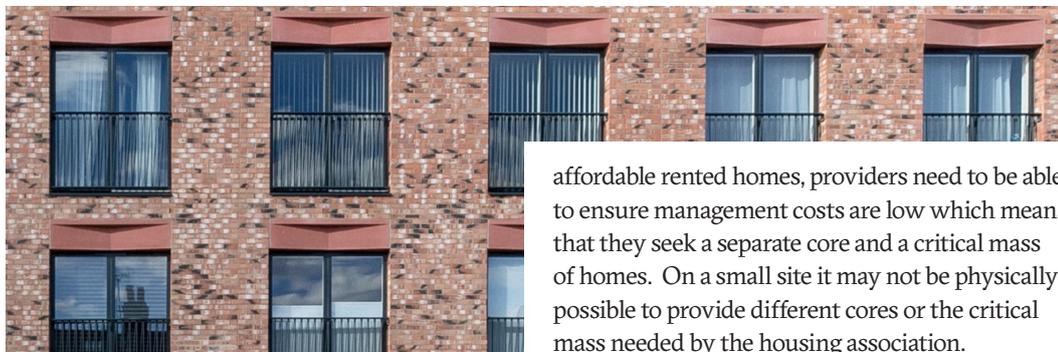
<sup>9</sup> MHCLG 2020, Changes to the current planning system and GLA 2019, EIP draft New London Plan Policy M20

<sup>10</sup> HBF 2017, Reversing the decline of small housebuilders

<sup>11</sup> MHCLG, 2018 Independent review of build out

<sup>12</sup> MHCLG 2020, Changes to the current planning system

<sup>13</sup> Lichfields 2019 New London Plan panel report blog



affordable rented homes, providers need to be able to ensure management costs are low which means that they seek a separate core and a critical mass of homes. On a small site it may not be physically possible to provide different cores or the critical mass needed by the housing association.

an array of policies addressing matters such as land use, affordable housing, sustainability, amenity space, design and transport. There can be tensions between these policy aspirations, especially on small sites where there is limited space to accommodate such competing demands.

In Lichfields' experience there is little, if any, difference in the approach adopted by planning authorities in the determination of small and larger scale developments. Developers of small sites must meet the same policy requirements as developers of large sites but struggle with smaller site areas and development quantum, limited design flexibility and more sensitive margins due to their size.

The policy landscape for affordable housing in particular is varied and complex. In the case of London, every borough has a different approach to viability and affordable housing, creating uncertainty for small housing developments. This can make it difficult to price land and the potential variation in costs for on-site affordable housing is often the difference between a development being viable, and therefore delivering homes and affordable homes, or becoming unviable, resulting in unimplemented and lapsed permissions and empty sites. Similarly, the often-constrained nature of small urban sites can make accommodating different housing tenures and typologies, securing a Registered Provider (RP) partner to manage a small number of affordable homes, and addressing land use matters (such as re-providing commercial space) and other policy requirements, extremely challenging. Accommodating multiple tenures is not just a strain financially but is physically challenging. For

In reviewing the London Plan<sup>14</sup>, the Mayor found that the reasons for low housing delivery from small sites tends to be planning based rather than economic; a result of restrictive and competing policy objectives, particularly relating to limiting density on infill sites, maintaining building heights and footprints and applying inflexible residential amenity and amenity space requirements. It is no surprise that the number of small developments halved in London between 2006 and 2016.

Research by Estates Gazette<sup>15</sup> found that smaller developments in London (between 10 and 25 homes) experience higher rates of refusal than larger developments. The rate of refusal on smaller developments has risen particularly sharply since 2015 (Estates Gazette, London Residential Refusals on the Rise, 2018).

The planning system for small sites is, therefore, often complex, cumbersome and adds significant time and cost risks to small developments. Accordingly, the average scale of housing development with planning permission in the UK has increased in size by 17% in less than a decade<sup>16</sup>. The cost and risk of planning is disproportionately high for small sites (ibid), meaning that in relative terms, there is less commercial risk in investing in larger scale developments.

Against this background, our research investigates why housing developments on small sites are not delivering a meaningful contribution to housing supply. It considers the salient planning issues informing, and delaying, the decision making process and explores whether viability and affordable housing requirements, in particular, are inhibiting development.

<sup>14</sup> [https://lichfields.uk/media/3784/london-plan-insight\\_january-2018.pdf](https://lichfields.uk/media/3784/london-plan-insight_january-2018.pdf)

<sup>15</sup> Estates Gazette 2018. London residential refusals on the rise.

<sup>16</sup> [https://www.hbf.co.uk/documents/6879/HBF\\_SME\\_Report\\_2017\\_Web.pdf](https://www.hbf.co.uk/documents/6879/HBF_SME_Report_2017_Web.pdf)

# 3.0 Methodology

## Population and Sample Size

The research is based on analysis of a sample of 60 recent planning permissions on small housing sites in London, taken from the Greater London Authority's (GLA's) London Development Database (LDD).

For the purpose of this research small developments are classified as residential and mixed-use developments containing between 10 and 150 homes<sup>17</sup>. The lower parameter in this range (10 homes) reflects the NPPF's threshold for major applications and the upper parameter (150 homes) is the scale of development required for Mayoral referral in London.

The overall population of planning permissions in the LDD covers 675 small sites across London that are smaller than 0.25 hectares and gained planning permission in the three years to April 2020. These 675 planning permissions together include 21,646 homes; equating to an average of 32 homes per permission. Of these, 88 permissions provided solely affordable housing and are subsidised by affordable housing grant, so are omitted from our sample. The residual sample of 60 developments therefore represents just over 10% of the remaining 587 planning permissions.

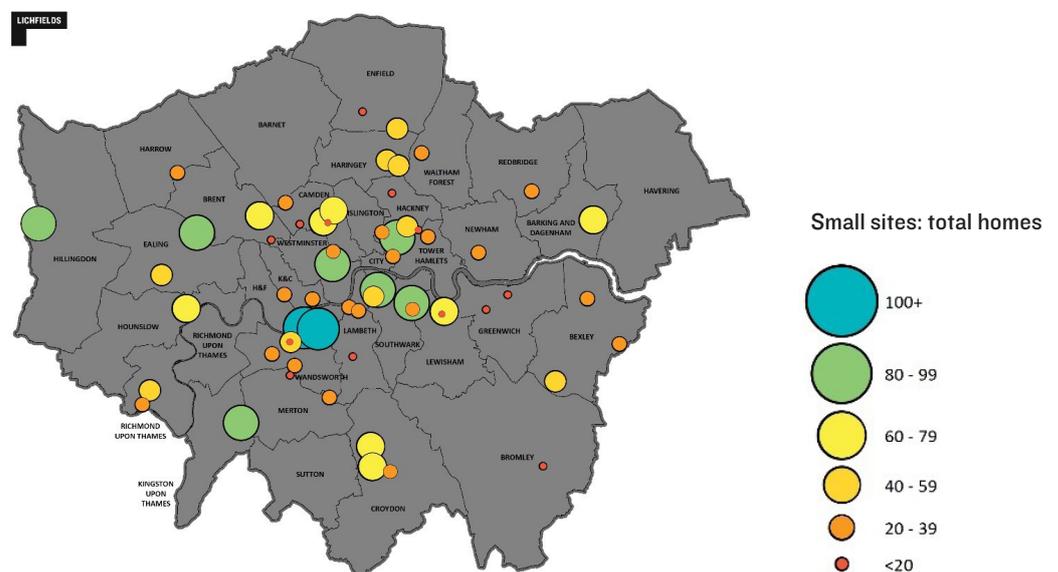
### The 60 developments which form the sample meet the following criteria:

- Residential and mixed-use developments of between 10-150 homes
- Site area under 0.25 hectares
- Developments that received full planning permission in the last three years (permissions dated 01 April 2017 – 01 April 2020)

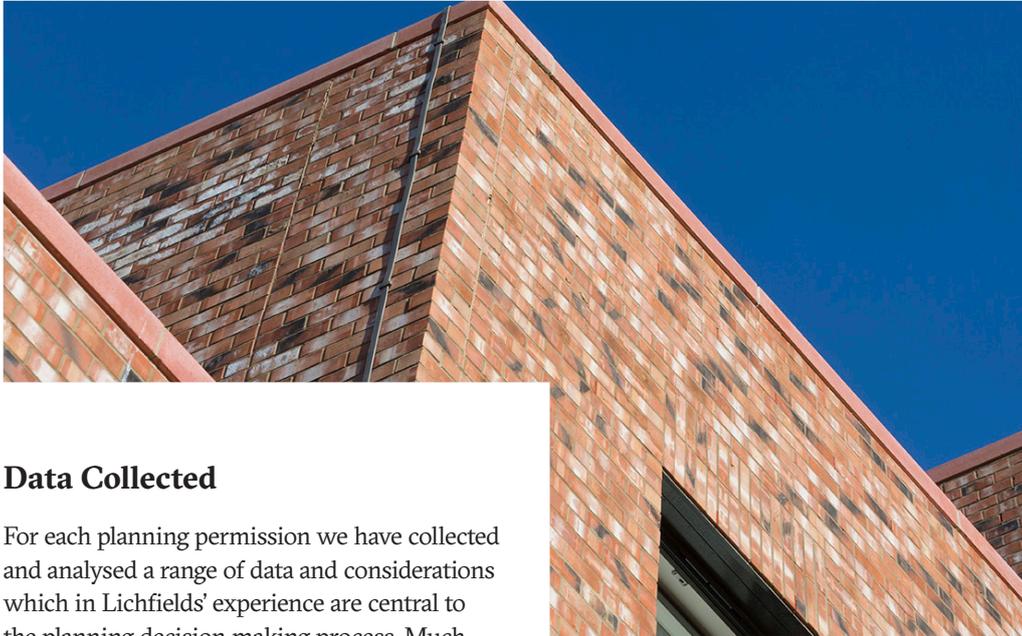
To ensure the research reflects experiences across the capital and is based on a geographically distributed sample, we have selected seven or eight developments each from eight octiles across Inner and Outer: North, South, East and West London. The analysis includes slightly more inner London sites as there are more small sites (as a whole) developed in Inner than Outer London boroughs.

The approach to the sample of sites is outlined at Appendix 1.

### Location of 60 planning permissions sampled by development size



<sup>17</sup> Use Class C3 dwelling house.



## Data Collected

For each planning permission we have collected and analysed a range of data and considerations which in Lichfields' experience are central to the planning decision making process. Much of the data has been obtained directly from the GLA's London Development Database (LDD). This includes the application reference, location and key planning milestones and parameters. Information from the LDD has been cross-checked and the development's viability position has been considered on a case by case basis.

In addition to data from the LDD, each planning permission has been analysed to capture key parameters from publicly available council committee reports and minutes, application forms, Community Infrastructure Levy forms, decision notices and planning application documents. For each permission, we have noted the top three planning concerns considered in these documents. These have been codified into seven common topics:

1. Viability and affordable housing
2. Residential amenity impacts
3. Architecture and design
4. Parking/ Transport issues
5. Land use/mix
6. Height and scale
7. Other (including heritage, dwelling mix, amenity/ play space provision, environmental/ sustainability issues).

Alongside these planning considerations, we have identified whether each planning permission was granted via an application or on appeal; whether the permission follows multiple planning applications; and whether it required major or minor amendments during its determination period. We have defined major amendments during the determination period as formal amendments to a live planning application requiring re-consultation.

A number of affordable housing parameters have also been recorded for each planning permission. Each permission's affordable housing quantum and tenure have been identified and we have highlighted where a payment in lieu of on site affordable housing has been agreed instead. The analysis notes whether each application followed the Mayor of London's fast-track or viability tested route and, where relevant, includes further data on viability negotiations.

A full list of the data collected for each of the 60 planning permissions sampled is contained at Appendix 2.

# 4.0 Sample Profile

The 60 planning permissions sampled from the LDD on the basis of the methodology outlined in the preceding section reflect the range and diversity of small residential developments across London. The following provides a summary of the sample's profile.

The sample of planning permissions includes a range of development sizes within our definition of 'small sites', though most fall towards the lower end of the range. The median number of homes approved in the 60 planning permissions is 33 homes. The sample is composed of the following developments:

- 18 × no. developments of between 10 and 25 homes (30%)
- 23 × no. developments of between 26 and 50 homes (38%)
- 19 × no. developments of between 51 and 150 homes. (32%)

In total, the sample of 60 planning permissions includes 2,666 homes. The 60 planning permissions together include 485 affordable homes (18% of the approved homes in the overall sample) and more than £25 million in commuted payments in lieu of on-site affordable housing.

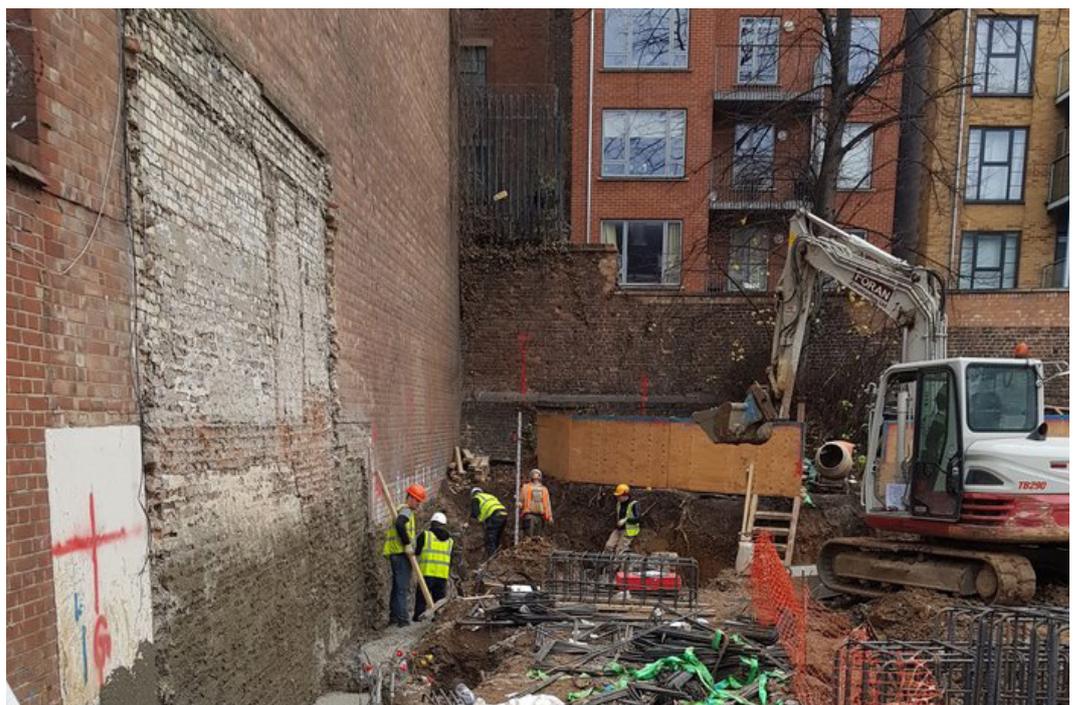
Many of the permissions in the study are for development on vacant land, or on land not currently being used productively, including brownfield sites such as former garages, car breaker yards, former petrol stations and infill sites. Many of these sites offer little to their local areas and in many cases they detract from the area's townscape and the local environment.

Almost a quarter of the planning applications were submitted multiple times before they were finally granted planning permission:

- 77% of the sample were first time applications
- 15% were second applications
- 8% were third applications

Of the 60 planning permissions, 95% were secured locally on application and 5% were secured after a planning appeal.

The majority of the planning permissions in the sample required amendments during their determination. 40% required major amendments and 30% underwent minor amendments (as outlined at Section 4.0 major amendments are defined as those requiring re-consultation).



# 5.0 Are Planning Applications on Small Sites Taking Too Long?

## Summary: Determination of Planning Applications for Development on Small Sites

1. The determination of small planning applications is taking well in excess of the statutory period; just one application was determined within 13 weeks
2. 98% of applications are taking longer than 13 weeks from validation to planning committee
3. The median time from validation to planning committee is 33 weeks. This is in addition to often-protracted pre-application engagement
4. Section 106 negotiations on small developments are taking a disproportionately long time, the period from committee to permission now takes a median of 23 weeks. The median period from validation to issuing the planning permission (following signing of the S106 agreement) on a small application is now well in excess of one year (60 weeks; c. 14 months)
5. The slowest 20% of the planning applications sampled took longer than two years from validation to issuing the planning permission; this is more than eight times the statutory 13 week period and more than four times the 26 week 'planning guarantee' for one fifth of planning applications on small sites
6. Almost a quarter (23%) of small developments require two or three successive applications to secure permission
7. Almost half (40%) of the remaining first time permissions require major amendments during determination

60 weeks

On average from validation of an application to permission

One application made for a former garage in South East London for a development of 14 homes including five affordable homes took more than four and a half years to reach a decision. This included a period of two and a half years finalising the Section 106 agreement.

The analysis reveals that small sites are not being determined expediently. 98% of applications reviewed fell outside the statutory determination period of 13 weeks. A significant proportion of applications are taking years to determine. The extended time taken for the determination of planning applications on small sites may explain in part why fewer small sites are coming forward in London and other UK cities.

A primary focus for the research is, therefore, quantifying and interrogating the time taken in determination. It has considered, firstly, the time taken from validation to achieving a resolution to grant planning permission at planning committee, and secondly, the period from validation through to securing a decision following completion of a legal agreement.

# 33 weeks

on average from validation to committee

The average periods taken to determine the sampled planning permissions are as follows:

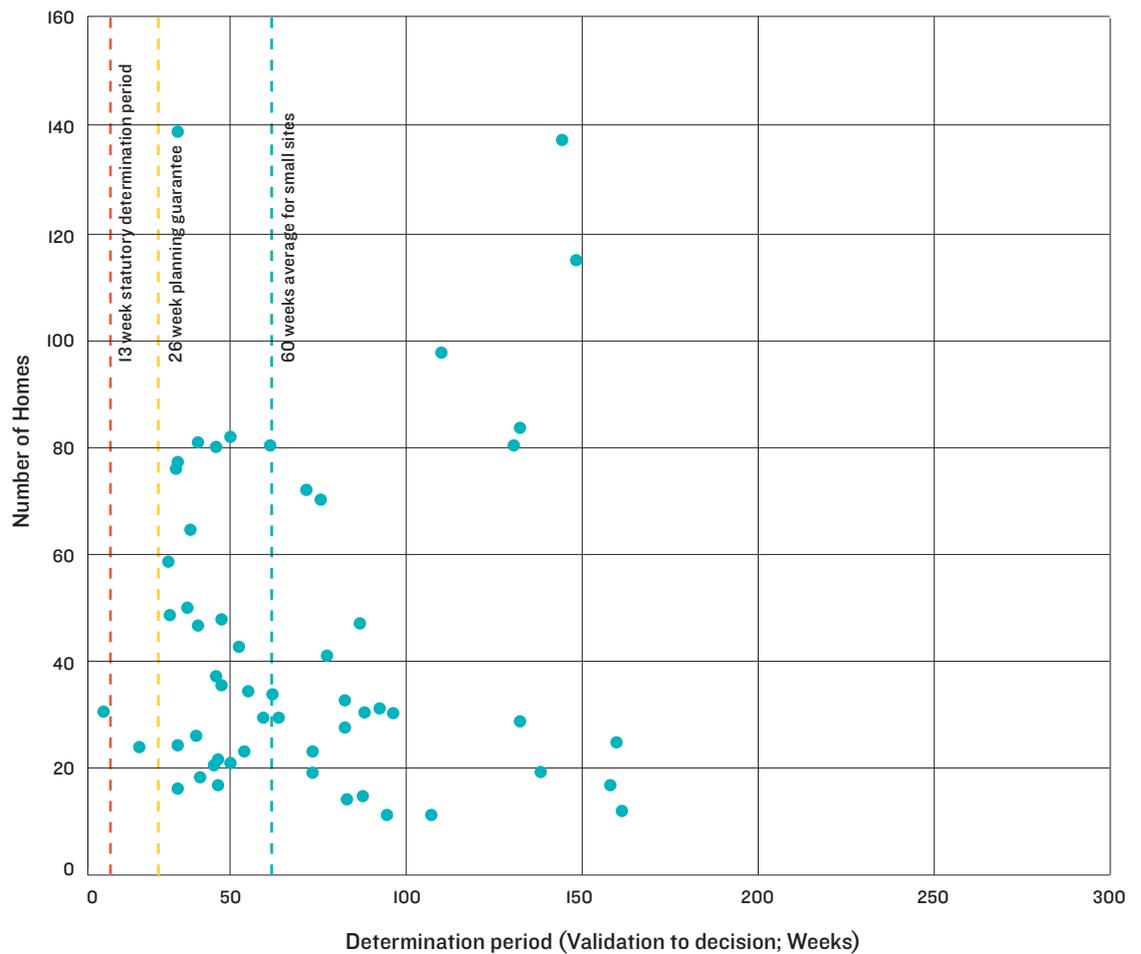
- Average (median) timeframe from validation to committee: 33 weeks.
- 25% of the permissions took longer than 57 weeks from validation to committee.
- Average (median) timeframe from committee to permission: 23 weeks.
- 25% of the permissions took longer than

43 weeks from committee to permission.

- Average (median) overall timeframe from validation to decision (including s106): 60 weeks.
- 25% of the permissions took longer than 90 weeks from validation to decision.

The chart on page 8 illustrates the

Determination period for the 60 sampled planning permissions



Source: Lichfields analysis

determination period for the 60 sampled planning permissions; plotting the development scale against the determination timeframe (in weeks) and highlighting the median time taken from validation to committee.

There is no overall correlation between development quantum and determination period. Many of the smaller applications experienced the longest determination. For example, eight of the planning permissions of fewer than 20 homes took more than 80 weeks between validation and permission being issued. This suggests that even the smallest developments are encountering the same planning challenges and delays as larger developments.

The Town and Country Planning (Development Management Procedure) (England) Order 2015 establishes a statutory determination period of 13 weeks between validation and decision for 'major' planning applications (in excess of 10 homes) that do not require EIA. All 60 of the sampled planning permissions meet these criteria, so a determination period of 13 weeks should have applied (unless an alternative timeframe was agreed between the applicant and planning authority). Where a planning application does take longer than this statutory period, the Government has defined a 'planning guarantee' which requires a decision to be made within 26 weeks of an application's validation<sup>18</sup>.

The determination periods for the 60 planning permissions sampled are outlined below in the context of these targets:

- 98% of the small planning permissions fell outside the statutory 13 week target (59 of the 60 permissions analysed)
- A single application was determined within the 13 week period (a 30 home development which was itself a second application at the site. The Council accepted the financial viability assessment following an earlier refusal and the site was not required to provide either on site affordable housing or a

payment in lieu)

- 97% of the permissions were determined outside of the 26 week period set by the Government's planning guarantee (58 of the 60 permissions)

On average, the developments sampled on small sites took almost 8 months from validation to committee (as above, a median period of c. 33 weeks) and approximately 14 months from validation to permission, post S106 agreement (a median of 60 weeks). A considerable portion of this timeframe (c. 23 weeks) covers the post committee period before the planning permission is issued during which the Section 106 agreement is completed. This process is taking on average six months.

The period to committee is longest where an application includes no affordable housing or a payment in lieu. We would expect this to be the result of the process taken between a developer and a Planning Authority to conclude it is not possible to provide on site affordable housing or a payment in lieu for viability reasons.

A large portion of the determination period is once the decision has been made to grant planning permission and involves negotiating the S106 agreement; the median time for the S106 is 23 weeks, which is itself longer than the statutory determination period. It is shorter where there is no affordable housing provided, either on site or through a payment in lieu; the affordable housing element of the S106 discussions appears to prologue negotiations, even though the heads of terms will have been agreed at committee.

It is now commonplace that the S106 heads of terms are included in the officers' committee report. This will include the areas to be covered by the S106 as well as the quantum for each financial obligation. It will also often include the timing of payments. Typical S106 heads of terms include: transport contributions such as improvements to access and local roads, provision of a travel plan and contributions to local Controlled Parking Zones; carbon offsetting arrangements; and employment and training obligations. It may also

**23 weeks**

time from committee  
to permission

<sup>18</sup> Determining a planning application Paragraph: 002 Reference ID: 21b-002-20140306.

**98%**

of small sites miss the statutory 13 week target for determination

include arrangements for the operation of the development's affordable housing such as how it will be marketed and maintaining the homes as affordable. Often the most complex and time-consuming Section 106 clauses relate to affordable housing timing (although on small sites this should be straightforward) and the detail of how review mechanisms will operate.

The practice of including heads of terms in committee reports has been adopted to add transparency and clarity, and speed up planning permissions. Once a committee has resolved to grant permission agreeing the final S106 should be straightforward, but as this research shows this is not the case and it is taking too long, in some cases longer than the determination period up to committee.

The most delayed 20% of the planning applications took longer than two years (104 weeks) between validation and reaching a planning permission (11 x no. permissions secured on application and one at appeal). This is an alarming statistic. The determination process took more than eight times the statutory 13 week period and more than four times the 26 week 'planning guarantee' for one fifth of the planning permissions on small sites.

Lichfields' experience is that prior to submission, pre-application engagement with a planning authority can typically add a further 3 to 6 months to the planning programme for small developments. The Government's Planning Practice Guidance highlights the value of pre-application engagement, noting that it is intended to improve the efficiency and effectiveness of the planning system, though it

can add considerably to a project's timeframe.

Similarly, a planning permission is not implementable until planning conditions and obligations have been discharged and the CIL liability formalised. This can typically take a further 6 months following receipt of a decision and prior to development commencing on a small site.

Allowing for these periods of pre-application engagement and post-decision mobilisation, it can frequently take two years or more between commencing pre-application engagement and a development on a small site becoming deliverable.

A large proportion of the sampled permissions were second or third applications for the same site. Almost a quarter (23%) required two or even three successive planning applications before permission was granted. Even for these 'follow up' permissions the planning journey was not significantly shorter with the median determination period from validation to permission taking 53 weeks compared with 60 weeks for the overall sample. Within this period, the median time taken after the committee, seemingly used to agree Section 106 payments, was even longer than the overall sample, 26 weeks rather than 23.

In some cases, the earlier applications on these small sites were withdrawn by the applicant, though where earlier applications had been refused, the reasons for refusal most commonly related to height and scale, design, residential amenity effects and affordable housing provision. In many cases, a follow up application was then progressed which



2 years

Most delayed fifth of applications take to permission



sought to address the earlier reasons for refusal on these sites. These second applications should ostensibly have been dealt with promptly and positively by the local authority. However, in several cases, where a revised application was progressed, the determination period for that second application was still protracted due to other 'new' planning issues being introduced by the local authority or, more frequently, owing to further protracted viability and affordable housing negotiations. There is often a lack of consistency and a rather disjointed approach to the determination of these successive applications.

Around half of the remaining first time permissions also required major amendments and associated (re)consultation during their determination process. The most common changes to these applications related to the development's height, scale and density, their architecture and design and their affordable housing provision. Many of these developments had previously been the subject of pre-application engagement, yet major amendments were still frequently required during their detailed consideration. The need for amendments frequently stems from issues that arise during the consultation process, technical reviews of application documents or more detailed interrogation of drawings and documents by Officers during the determination

process than happens at the pre-application stage. These amendments can also be a function of a change in Case Officer or a change in the stance of Officers following pre-application engagement or during the determination stages of a project.

The frequent requirement for successive applications and/or major amendments during an application's determination period clearly add to the prolongation in delivering developments on small sites. The need for repeated attempts and amendments can of course be caused by the applicant's approach to a project, but it often reflects inconsistency, changes in stance and the challenges of balancing complex and conflicting policy requirements on the part of the local authority. These repeated attempts and amendments are a drain on resources (both for the applicant and the local authority), and are delaying and limiting the contribution small sites can make to housing delivery. A simpler and more consistent planning system is required to significantly reduce the need for repeated applications and amendments to applications on small sites.

# 6.0

## What are the Key Planning Issues?

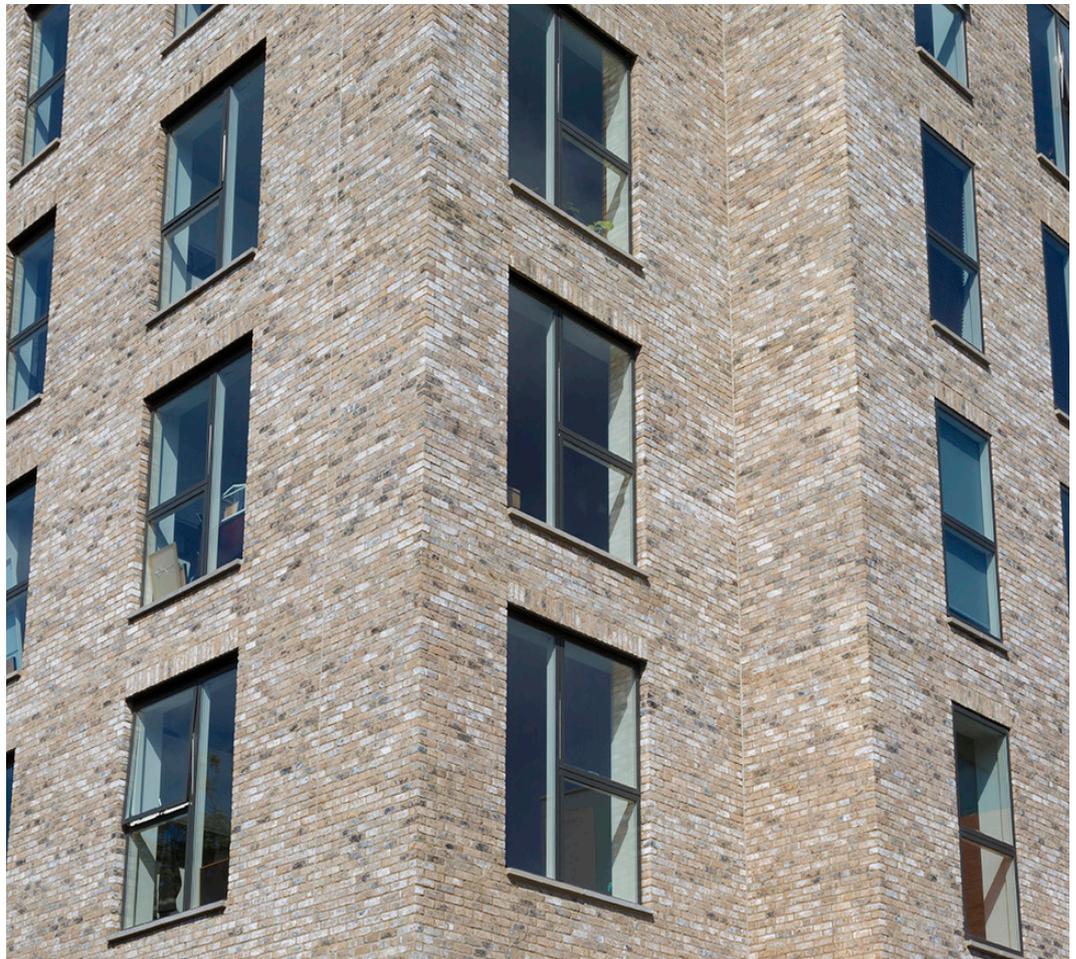
75%

of permissions have viability and affordable housing as one of their principal planning considerations

### Summary: Key Planning Issues Encountered on Small Sites

1. Viability and affordable housing forms one of the principal planning considerations in the majority of the planning permissions sampled
2. There is evidence of extensive negotiations on viability and affordable housing matters in many cases and a lack of agreement on land value matters is particularly apparent in around one third of the applications
3. The other key planning issues frequently identified were, in order: Residential amenity impacts, architecture and design, parking/transport issues, land-use mix and height and scale

One application made in 2016 by the owner of a high street site in North London for a development of 19 homes including 2 affordable homes took more almost two years to get to committee.



Planning applications are assessed across a range of policy considerations. The current one-size-fits-all system means that small sites are expected to meet the same range of policies as larger sites. The analysis has already highlighted that in practice such a high bar is resulting in long drawn out negotiations as smaller sites struggle to achieve compliance. Dispute and time wastage which can sometimes lead to deadlock appear to be systemic in the determination of planning applications for development on small sites. This makes it important to understand what the main issues and trends are across small sites to establish what drives the delays in delivery.

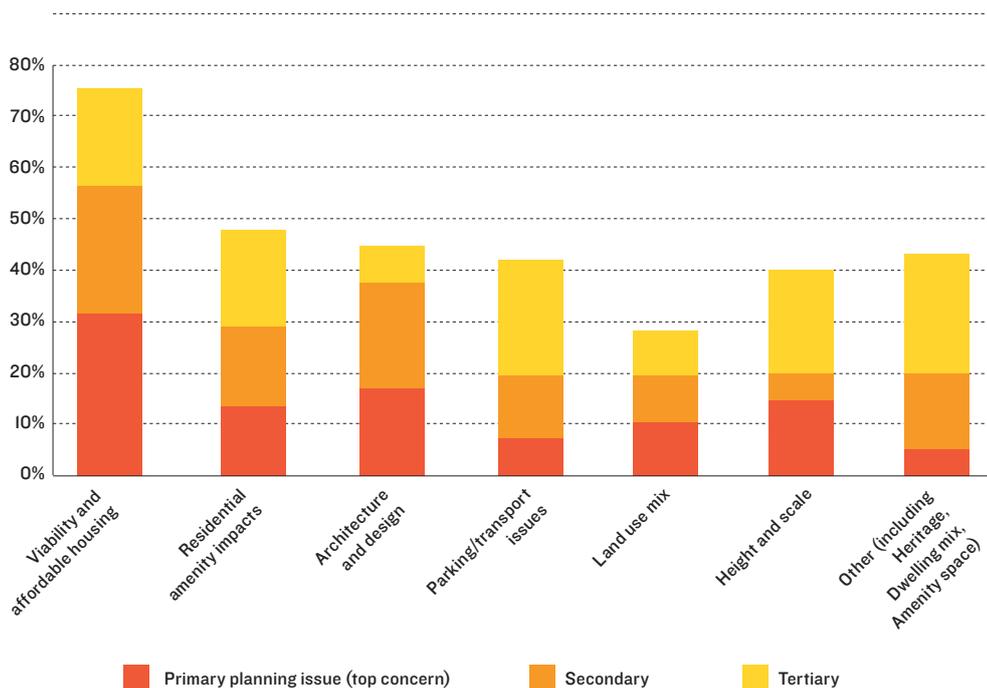
To simplify this analysis, typical planning issues have been codified and the top three salient planning considerations have been identified for each application. The planning considerations have been identified based on textual analysis of officers' committee reports and published planning committee minutes. They are primarily based on the position of officers but also take into account committee discussions and third-party objections, where applicable.

The chart below plots the key planning issues associated with the sample of 60 planning permissions on small sites, identified in order.

Viability and affordable housing is identified as one of the three key planning issues in 75% of cases. For just under a third (32%) of the planning permissions this was the most important issue considered; in a further 25% of permissions it was the second most important issue, and in 18% of cases the third most important consideration.

Our analysis of the committee reports for the sample of 60 planning permissions illustrates that in many cases, extensive negotiations were required between applicants and the planning authority (and their respective viability consultants) on viability and affordable housing matters. In all of these cases, the sites were not able to achieve a policy compliant mix and number of affordable homes requiring the need for a negotiation and a pragmatic agreement. This appears to be a major cause of the delays in determining applications, as is discussed in more detail at Section 7.0.

**Top planning considerations**



Just seven permissions from the sample of 60 (12%) benefitted from the Mayor of London's fast-track approach to affordable housing<sup>19</sup>. A recurring theme in the 'viability tested' planning permissions was the lack of agreement on land value matters. This is the case for 18 (30%) of the permissions.

Just under half of applications found residential amenity impacts the most important planning issue. This was only the primary issue however for 13% of applications.

Architecture and design was the primary issue for 18% of applications, and a top three issue in 45% of cases. Height and scale was the primary issue for 15% applications, but a top three issue for only slightly more (20%).

Parking and transport issues were in the top three issues for 42% of sites, however they were the primary issue in just 7% of permissions. Parking and transport was raised as an issue, and highlighted as a primary issue, more frequently in Outer London than Inner London (raised in the case of 16 permissions in Outer London and just 9 in Inner London). This would suggest that the more urban the environment and the more accessible a site, the less of an issue this becomes.

For non-first time permissions (i.e. the 14 permissions for small sites where planning permission had previously been refused) the primary issue continued to be viability and affordable housing in 36% of cases (compared with 33% for first time applications). This suggests that viability and affordable housing issues and challenges remain persistent irrespective of whether an application is a first time submission or an amended form of development. It was in these cases where deadlock was occurring between the Local Authority and the developer. The frequency with which the other planning issues was highlighted as a concern remained consistent between first time planning permissions and resubmissions. In contrast, residential amenity was a primary concern in 29% of non-first time planning permissions, compared with just 13% of first time applications.

It is clear from this review that affordable housing, tenure and viability forms a primary concern associated with the determination of planning applications for development on small sites. There are a number of other supplementary considerations that also come into play, but in more cases, the primary planning consideration informing, and frequently delaying, the decision making process surrounds viability and affordable housing. This reflects Lichfields' experience of working on applications on small sites. It is not just a matter of financial viability, but the ability to physically accommodate multiple tenures on a small, constrained site that causes delay.

<sup>19</sup> The Mayor's Affordable Housing and Viability SPG and draft London Plan include policy whereby applications that exceed the threshold for affordable housing (35% or 50% on public or former industrial land) do not have to undergo viability assessments or include a late-stage review mechanism. In some boroughs though the local affordable housing policy requirement may exceed 35%.



60%

of the permissions  
on small sites  
include on site  
affordable housing

# 7.0 Viability, Affordable Housing Provision and Section 106 Agreements

## Summary: Viability and Affordable Housing on Small Sites

1. Small sites are delivering affordable housing outcomes: 60% of the permissions included on site affordable housing, 27% included a payment in lieu and 13% included neither
2. The more complex the affordable housing requirements, the longer planning takes: The planning permissions with mixed tenure affordable housing (low cost rent and intermediate) on site experienced longer determination periods than developments with a solely intermediate affordable housing component (70 weeks compared to 58 weeks respectively)
3. Disagreements over land value are a key trend: Just under one third of the permissions encountered protracted viability negotiations focused on the land value. These discussions inevitably extended their determination period
4. The Section 106 regime for small sites is not working: The signing of the legal agreement takes on average 23 weeks.

One application made by a developer to replace former offices in South London with a development of thirty homes including nine affordable homes took two and a half years to be determined (from validation to decision). The key issue described in the committee report was viability as the applicant and the council repeatedly disagreed on the benchmark land value.

The research has identified that viability and affordable housing form a primary issue and a principal constraint. However, despite this there is evidence that planning permissions for small sites are bringing forward affordable housing:

- 60% of the planning permissions in the sample include on site affordable housing (36 × no. planning permissions); 11 agreed only intermediate housing, 4 only affordable rent or social rent and 21 both intermediate housing and low cost rented housing.
- 27% of the permissions include a payment in lieu of affordable housing (16 × no. planning permissions);
- 13% of the permissions provide no affordable housing or a payment in lieu (8 × no. planning permissions).

Where payments in lieu of on-site affordable housing provision were agreed, this was principally justified through a combination of viability evidence, the demonstrable inability to secure a Registered Provider partner to manage the affordable homes and/or development specific constraints, particularly the challenges



**Table I: Decision making timeframes by affordable housing position**

| Affordable housing position |   | No. of Planning Permissions in Sample | Average (Median) Determination Period: Validation to Committee (weeks) | Average (Median) Determination Period: Validation to Permission(weeks) |
|-----------------------------|---|---------------------------------------|--|--|
| Fast-track                  |   | 7 x no. permissions (245 homes)       | 17 weeks   | 60 weeks   |
| Viability tested            | On site affordable housing (viability tested) | 29 x no. permissions (1,705 homes)    | 33 weeks   | 71 weeks   |
|                             | Payment in lieu of A.H agreed                 | 16 x no. permissions (440 homes)      | 32 weeks   | 49 weeks   |
|                             | 0% A. H and no payment in lieu                | 8 x no. permissions (276 homes)       | 41 weeks   | 54 weeks   |
|                             | Total: viability tested                       | 54 x no. permissions (2,421 homes)    | 35 weeks   | 60 weeks   |
| Overall total               |   | 60 x no. permissions (2,666 homes)    | 33 weeks   | 60 weeks   |

of accommodating dedicated entrances and access arrangements for different tenures on small sites. For 40% of permissions no affordable housing was delivered on site, including 27% which secured payments in lieu. For 35% of permissions, developers were expected to deliver both intermediate and low cost rented housing on site, compared with just 18% of permissions which agreed to deliver solely intermediate housing alongside market housing.

Commuted payments were most commonly secured for smaller scale developments at the

lower end of the range. The average (mean) scale of the 16 permissions with payments in lieu was 28 homes. The average scale of the permissions with on site affordable housing was 46 homes.

The remaining 13% of developments where neither affordable housing nor a payment were secured were predominantly justified on the basis of viability evidence. In some cases the developments included other public benefits which offset a requirement for affordable housing and in two cases the provision of affordable workspace was instead provided on site.

**90%**

of the permissions were not eligible for the fast track

The data from the 60 sampled planning permissions allows the developments' affordable housing position to be considered against the timeframe for their determination. This is summarised in table 1.

The timeframe between validation and committee for small site applications which were not viability tested is considerably swifter. The analysis reveals it takes half the time to get to Committee if viability assessments are not required, 17 weeks compared to 35 weeks. However, it still exceeds the statutory timescale which is 13 weeks.

The analysis reveals an even greater challenge for small sites whether tested by viability or not: Section 106 completion. For a planning permission to be determined, a resolution to grant permission at Committee is not sufficient. Determination requires a signed Section 106 Agreement before a Decision Notice can be issued.

There is no relationship between a development following the Mayor's fast-track<sup>20</sup> or viability tested route and the length of the overall determination period. The s106 drafting process is protracted for developments on small sites irrespective of the viability position and affordable housing but is faster where it does not include affordable housing. The determination process including Section 106 completion is over a year at 60 weeks.

Many of the planning permissions with the longest determination periods were developments where low cost rented and intermediate homes were provided on site alongside market housing. The average (median) determination period for viability tested applications with mixed tenure affordable housing on small sites was 71 weeks whereas those applications with a solely intermediate affordable housing component on average took 56 weeks. In the case of seven of the mixed tenure planning permissions, the determination period from validation to a decision was more than 100 weeks.

As outlined in Section 6.0, 18 of the planning permissions experienced extensive discussions on benchmark land value matters (this includes permissions with on site affordable housing and those where payments in lieu were agreed). The benchmark land value is set through the viability negotiation and there is evidence of a divergence of views between the Local Authority and the developer depending on how prescriptive the requirements set by the Authority are.

The time taken to reach agreement on the benchmark land value had a marked effect on determination timescales. The average (median) determination period between validation and decision for these applications was 71 weeks, compared to an average of 56 weeks (median) for those applications where there is no evidence of discussions on benchmark land value. This would suggest that in many instances the planning system for small sites is now too complicated for developers to price land effectively. This is leading to disputes and could be a barrier to entry for new developers to enter the small sites sector.

Overall, the majority of applications for small sites find it challenging to achieve planning policy requirements relating to the affordable housing level and tenure mix within a development. There is evidence highlighted in the issues analysis that protracted negotiations are now commonplace and associated with land value matters and affordable housing provision. This results in significant delays which inevitably lead to costs being incurred by both developers and Local Authorities.

<sup>20</sup> These applications are recognised in their committee reports as following the Mayor of London's fast track route where a viability assessment is not required, and they do not require late stage viability reviews.



# 8.0

## Summary and Conclusions

SME builders and small sites have historically been significant contributors to the country's housing supply. Following a progressive reduction in their housing output during recent decades, small sites currently fail to fulfil their housing delivery potential. In the future, SME builders and small sites should play a far more important role in bringing forward the homes needed in London and other UK cities.

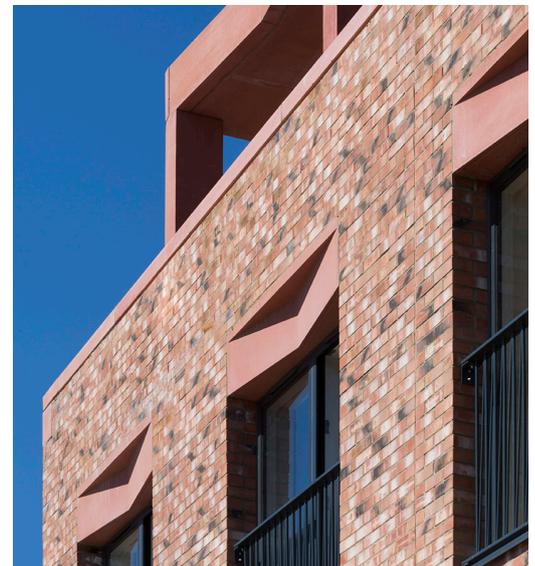
Based on a sample of 60 developments across London, Lichfields' research considers the determination periods for small developments, their salient planning issues and the viability and affordable housing challenges<sup>21</sup>.

The data shows:

1. The median time taken to determine planning applications for development on small sites (validation to decision) is c. 60 weeks (almost 14 months)<sup>22</sup>
2. The median time taken for these applications to be considered at committee is 33 weeks.
3. S106 negotiations are then taking a disproportionately long time - on average, a further 23 weeks (median)
4. 98% of the applications took longer than the statutory 13 week determination period. Just one application was determined within the statutory period and just two met the Government's 26 week planning guarantee
5. The most delayed 20% of permissions took longer than two years between validation and decision - eight times the statutory 13 week period and four times the 26 week 'planning guarantee'
6. Almost a quarter (23%) of developments on small sites require two or three successive applications to secure permission
7. Almost half of the remaining first time permissions require major amendments during determination

8. The single most common planning issue relating to, and inhibiting, determination of these small applications is 'viability and affordable housing' (raised in 75% of cases)
9. Viability negotiations on small sites are materially extending the determination timeframe. Applicants and Councils frequently disagree on benchmark land values and other viability parameters. Applicants are often required to accept non-viable affordable housing levels to secure permission

The research has shown that the planning system remains disproportionately complex and cumbersome for small urban sites. Developments on small sites face the same planning policy expectations as major regeneration projects with far greater site constraints and viability limitations and without the design flexibility or the quantum of private homes to cross subsidise affordable housing delivery. The current one-size-fits-all planning system is causing delays in the determination of planning applications, it is impacting development viability and it is inhibiting the delivery of new homes on small sites. A more focused, streamlined and commercially realistic approach to planning applications for development on small sites is required; enabling applications to be determined efficiently and effectively, and permissions delivered quickly.



<sup>21</sup> Small and medium developments are defined here as including 10-150 conventional C3 residential homes. The permissions sampled were approved in the three year period from 1st April 2017.

<sup>22</sup> This is in addition to pre-application engagement (which is typically a further 3 to 6 months), discharging planning conditions/ obligations and calculating/ paying CIL.

# 9.0 Implications for Future Policy

The Government's underlying ambition to simplify and streamline the planning process, speed up housing and affordable housing delivery, and focus on good design is to be welcomed. However the precise mechanisms required to achieve this step change in the planning system require careful evaluation and far more detail.

This report evidences the concerns which form many of the White Paper's objectives and starts to identify some of areas in which potential solutions should be targeted. A number of key themes can be drawn from the research:

1. Under the current planning system, it is taking far too long for planning permissions to be secured for development on small sites. The timeframe for agreeing section 106 agreements is particularly protracted; often doubling the time taken for an application to be permitted
2. Viability and affordable housing policies are the principal constraint on small developments, causing delays in determination
3. But, even where there are no viability discussions, applications are still taking too long to determine and far exceed statutory timescales
4. The competing demands of a standardised policy regime which lacks proportionality and imposes a 'one size fits all' approach is delaying and inhibiting the approval and delivery of new homes on small urban sites

The research clearly shows that the main challenge to delivering homes on smaller sites is that the planning system asks too much of small developers and small sites particularly in relation to tenure and mix (i.e. the policy requirement to provide a range of housing types and multiple tenures on all sites over ten homes). This is a physical challenge as well as viability issue. The research makes clear that the principle of development is not the major barrier to housing delivery on smaller sites.

The vast majority of small site developers are not able to deliver homes efficiently when they are required to achieve a policy compliant mix of tenures. The same policies are applied to sites delivering hundreds or even thousands of homes with no consideration of proportionality or the practicalities of delivery. Small sites often do not have the space to accommodate separate cores and the servicing regimes associated with meeting the requirements for multiple tenures. Therefore, small site developers are required to go through a lengthy viability assessment process to demonstrate that mixed tenure developments are non-viable and impractical. The analysis has shown this results in long delays as negotiations between Local Authorities and developers over land value and housing mix take place.

Additionally, the majority of small developers are not affordable housing specialists and are therefore required to find an affordable housing provider to take on their obligations. Typically however this is for only a handful of homes. It is often unviable or unattractive for Registered Providers due to being costly to manage and market or due to the lack of scale. The absence of an affordable housing partner often means that planning permissions for development on small sites can remain on paper and unbuilt. This would merit further research and analysis as a follow up to this study.

The Government's proposals in 'changes to the current planning system' to increase the affordable housing threshold could have a significant short term impact on the delivery of small sites, as could the extension of Permission in Principle. This research shows that the changes should go further to ensure a more proportionate and pragmatic approach to the delivery of small sites. Consideration is needed for those small sites that exceed the new 40/50 home threshold but will still struggle to incorporate multiple tenures. Permission in Principle is a good start but does not give small developers the certainty that they need. The analysis shows that the principle of development is rarely the problem. The Technical Consents stage of Permission in Principle should be just that – consideration of any necessary technical

assessments, not lengthy evaluation of proposals against the Local Plan.

In advance of more substantive changes to (or abolition of) S106 agreements, there should be firmer deadlines for the conclusion of S106 agreements to ensure faster delivery of new homes. If the agreement is not finalised within a month of committee the applicant should be able to make a unilateral undertaking.

It has become a circular problem. The planning system is too complex for developers to price small sites effectively. The sites that are brought forward therefore fail to achieve policy compliancy. The Authority and the developer are only then able to negotiate a pragmatic proposal that might unlock the site. The research highlights significant delays and permissions requiring multiple applications. This indicates that the outcomes of negotiations that are required to meet planning policy requirements are too often not pragmatic. The antidote must be greater simplicity.



Alongside, the White Paper, the Government is consulting on a proposal to temporarily increase the threshold where affordable housing will

be required to forty or fifty homes from the current level of ten homes. This is intended to help stimulate house building with a particular focus on SMEs. The elevated threshold would take some dispute out of the system and would encourage new entrants to operate at this level but it would also push disputes to sites which sit around the threshold of forty or fifty homes.

The Government indicates this temporary measure will alleviate the pressure on SME developers post Covid-19, though this analysis would suggest that there are better ways of addressing the problem. Put another way, the problem is not that small sites cannot deliver housing or indeed affordable housing, they are just inhibited from doing so by the current system. The need is for a simpler approach to small sites which offers both developers and planning authorities a clear route to gaining a permission.

The conclusions from the analysis present a compelling basis for change. Planning for the Future (August 2020) recognises that the current planning system is complex, favours larger developers and causes delays in the delivery of much needed new homes. The Government's proposed reforms seek to transform the system into a more positive and straightforward framework to enable planning decisions to be made efficiently and consistently; resulting in viable, deliverable and good quality new developments. As part of these reforms, the planning system should look to harness the housing potential of small sites.

The research has identified some key trends in the planning process for small brownfield sites:

**The planning process is taking too long and far exceeds the statutory timetable**

- The median determination time is 60 months; just one application met the statutory timeframe
- A quarter of the applications took longer than 90 weeks to determine and a fifth took more than two years

- The median time from validation to committee was 33 weeks with a further 23 weeks to agree the S106 agreement and issue the permission

**Affordable housing is a key planning issue (in three quarters of cases) and a cause for delay**

- The more complicated the affordable housing requirement, the longer planning takes: mixed tenure affordable housing permissions took 71 weeks compared with 56 weeks for permissions with only intermediate homes
- Where viability assessments are not required the time taken to get to committee is halved, but at 17 weeks, still exceeds the statutory deadline

**Once the decision to grant planning permission has been made the S106 process takes far too long**

- The median time to agree the S106 agreement is 23 weeks

**It is clear that if small sites are to make a meaningful contribution to housing delivery, a more proportionate approach is required to planning for small sites and a more pragmatic and proportionate approach is needed to deliver affordable housing:**

**A proportionate approach to planning**

- The NPPF should go further in its recognition of the importance of small sites requiring local authorities to take a proportionate approach to planning for small sites and supporting their swift delivery
- The government's extension of the threshold for affordable housing should only be temporary and it should be extended at the earliest opportunity.
- Permission in Principle should be granted on brownfield sites smaller than 0.25 hectares which are well-served by public transport/local amenities and where 40% of the homes will be affordable through a payment in lieu or on-site intermediate housing

- Local authorities should only be able to refuse a PiP where they can robustly demonstrate that residential development would result in an unacceptable level of harm that outweighs the benefits of making the best use of previously-used brownfield sites and delivering new housing
- The technical consents stage of PiP should be akin to prior approval and should only be a consideration of any required assessments and not the merits of the proposal against the Local Plan
- Planning conditions should be kept to a minimum, especially pre-commencement, with deemed approval six weeks after submission.
- In advance of more substantive changes to S106, there should be firmer deadlines for the conclusion of S106 agreements to ensure faster delivery of new homes. If the agreement is not finalised within a month of the planning committee the applicant should be able to execute a unilateral undertaking

**A pragmatic and proportionate approach to affordable housing**

- For small brownfield sites (less than 0.25 hectares) that exceed the affordable housing threshold, and in advance of more substantive reform, the NPPF should stipulate two affordable housing routes: a payment in lieu or on-site delivery of single tenure intermediate affordable housing
- When the Government ends the temporary extension to the affordable housing threshold, this should apply to all small brownfield sites of less than 0.25 hectares

# Appendix 1: Sample of 60 Small Sites

The research is based on a sample of 60 sites across London with planning permission granted between 01 April 2017 and 01 April 2020 for 10 - 150 homes.

To ensure the sample reflects experiences across the capital and is geographically distributed, developments have been sampled from 8 defined octiles across London (Inner and Outer North, South, East and West London).

The London boroughs included in each octile and the number of permissions sampled from each area are summarised below:

## **Inner London Boroughs: (32 sites sampled)**

- Inner NW London boroughs (Camden, Westminster, Kensington & Chelsea): 8 × planning permissions on small sites
- Inner NE London boroughs (Tower Hamlets, Hackney, Newham, Islington): 8 × planning permissions on small sites
- Inner SW London boroughs (Hammersmith & Fulham, Wandsworth, Lambeth): 8 × planning permissions on small sites
- Inner SE London boroughs (Southwark, Lewisham, Greenwich): 8 × planning permissions on small sites

## **Outer London Boroughs: (28 sites sampled)**

- Outer NW London boroughs (Brent, Barnet, Harrow, Ealing, Hillingdon): 7 × planning permissions on small sites
- Outer NE London boroughs (Haringey, Enfield, Waltham Forest, Redbridge, Barking & Dagenham, Havering): 7 × planning permissions on small sites
- Outer SW London boroughs (Kingston, Sutton, Merton, Richmond, Hounslow): 7 × planning permissions on small sites
- Outer SE London boroughs (Bromley, Bexley, Croydon): 7 × planning permissions on small sites

The classification for Inner/Outer boroughs is taken from the GLA's own definition (Map 2.2 of the London Plan). The boroughs have then been organised within each geographical area (the four sub-regions of both inner and outer London are each of a broadly comparable geographical area).

The focus of the research is on small new build urban housing developments. Consequently, alongside the core criteria relating to site area, residential quantum and the timing of the permission, the sample of developments has omitted the following development types:

- Developments involving the conversion or extension of existing buildings.
- Large mixed-use developments where the majority land use is non-residential.
- Developments where the planning application is a phase of a much larger masterplan.
- Outline applications.
- Reserved Matters applications forming part of a larger outline scheme.

# Appendix 2: Data and Parameters Collected

The research has been based on a series of key data and parameters collected for the 60 sites in the sample. The data and parameters have been obtained directly from the GLA's London Development Database and via analysis of the planning applications themselves (i.e. from publicly available council committee reports and minutes, application forms, Community Infrastructure Levy forms, decision notices and planning application documents).

The following data and parameters have been collected for each of the 60 planning permissions:

## **Data and Parameters obtained from the London Development Database**

(\*corroborated/updated with direct research)

- Site identifiers (e.g. site name/no., street, postcode, etc.)
- Existing homes\*
- Proposed homes\*
- Proposed non-residential floorspace\*
- Existing total floorspace\*
- Proposed total floorspace (incl. residential)\*
- Proposed total affordable homes\*
- Proposed total affordable housing percentage\*
- Decision agency
- Decision date (following S106)

## **Data and Parameters obtained via Primary Analysis of Planning Applications:**

- Developer
- Affordable housing tenure split
- Whether permission secured on application or appeal
- Number of successive recent applications
- Amendments (major/minor)
- Validation date
- Committee date
- Determination period
- Determination within/beyond statutory timescale

- Key planning issues: codified based on seven common planning considerations:
  - Viability and affordable housing
  - Residential amenity impacts
  - Architecture and design
  - Parking/ Transport issues
  - Land use/mix
  - Height and scale
  - Other (including heritage, dwelling mix, amenity/ play space provision, environmental/ sustainability issues).
- Threshold approach to affordable housing (fast track or viability tested)
- Viability position and overview/ chronology of viability and affordable housing discussions

