

**Committee and Date**

Cabinet

9th July 2025

Item

Public



National Planning Reform Consultations

Responsible Officer:	Tim Collard, Service Director – Legal and Governance		
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Cabinet Member (Portfolio Holder):	Cllr David Walker, Planning		

1. Synopsis

- 1.1. This report seeks consideration and approval of proposed responses (Appendix 1) to a series of Government consultations on reform to the planning system. These consultations address speed and transparency of build-out of housing, site thresholds in decision making, and planning committees.

2. Executive Summary

- 2.1. Government is currently undertaking a series of consultations on proposed reforms to the planning system. This report seeks consideration of and approval to submit the Council's proposed response to these consultations.
- 2.2. This response seeks to ensure that proposed reforms to the planning system align with and support achievement of sustainable development in Shropshire and through this the Shropshire Plan.
- a. Healthy People: Delivering the right number, type, size and tenure of housing in appropriate locations (which benefit from appropriate access to services, facilities and infrastructure) and acceptable timescales to meet the housing needs of our communities.
 - b. Healthy Economy: Supporting the principle of economic growth – in this instance, principally through housing development but also through related

manufacturing / supply chain and the wider benefits of additional labour force in the county.

- c. Healthy Environment: Seeking to ensure that growth gives appropriate consideration to the achievement of high-quality design and impact on our built and natural environment.
- d. Healthy Organisation: Aiming to ensure proposed reforms maintain a democratic process whilst seeking to maximise potential benefits and minimise resource implications for the Shropshire Council Planning Service.

2.3. The Government consultations on proposed reforms to the planning system addressed within this officer report and to which proposed responses have been prepared are:

- a. Planning reform working paper: speeding up build out.
- b. Technical consultation: implementing measures to improve build out transparency.
- c. Planning reform working paper: reforming site thresholds.
- d. Technical consultation: reform of planning committees.

2.4. *Planning reform working paper: speeding up build out* seeks views on measures to ensure the right incentives exist in the housing market and Local Planning Authorities have sufficient tools to encourage approved homes are built out more quickly.

2.5. The technical consultation on implementing measures to improve build out transparency seeks views on the introduction of measures allowed for within the Levelling Up and Regeneration Act (2023), which would:

- a. Require developers to submit information outlining their intended timescales for progressing a development and on progress of development to Local Planning Authorities at different stages of the planning and development cycle.
- b. Enable Local Planning Authorities to decline to determine planning applications from a person connected with an earlier development that was built out 'unreasonably slowly'.

2.6. The planning reform working paper: reforming site thresholds consultation seeks views on reform of site size 'thresholds' for residential planning applications. The stated intention of this reform is to better support housing delivery on different scales of site, by removing and streamlining disproportionate requirements on small and medium scale sites, while maintaining and strengthening requirements on major development.

2.7. Proposals include a more graduated approach to site size 'thresholds' for residential planning applications, through:

- a. The introduction of a new medium-scale residential development 'category' of 10-49 dwellings / 0.5ha to 1.0ha site size.

- b. Raising the 'threshold' for the major residential development 'category' from 10 dwellings / 1.0ha site size to 50 dwellings / 1+ha site size.
- 2.8. Proposals also include revisions to requirements for residential development which fall within each 'category' – in summary:
 - a. Streamlining or removing entirely specific requirements imposed on planning applications within the existing minor residential development 'category' (1-10 dwellings / up to 0.5ha site).
 - b. Streamlining specific requirements imposed on planning applications that fall within the proposed new medium residential development category (10-49 dwellings / 0.5ha to 1.0ha site).
 - c. Strengthening specific requirements imposed on planning applications within the 'higher' major residential development category (50 dwellings or more / 1+ha site).
- 2.9. The reform of planning committees: technical consultation seeks views on proposals around the delegation of planning functions, the size and composition of planning committees, and mandatory training for members of planning committees.
- 2.10. Appendix 1 to this report sets out the Council's proposed response to each of these four consultations, structured around the questions posed within them. This report seeks consideration of and approval to submit this response to the Ministry of Housing, Communities and Local Government (MHCLG).
- 2.11. Whilst the official close of these consultations is 7th July, MHCLG has confirmed to the Council they will accept responses on 9th July given the timing of Cabinet. In view of this, and the need to submit the Council's consultation responses on the 9th July 2025, to meet deadlines for submission of three of these responses, the Call in and Urgency Mechanism in paragraph 17 of the Overview and Scrutiny Procedure Rules will need to be applied to ensure responses can be submitted within the required timescale i.e. on the 9th July 2025.
- 2.12. The consequence of this, is that this decision will not be able to be "called in" in accordance with the Overview and Scrutiny Procedure Rules.

3. Recommendations

- 3.1. Cabinet consider and approve the submission of the Council's response to Government's national planning reform consultations (Planning Reform Working Paper: Speeding Up Build Out; Technical Consultation on Implementing Measures to Improve Build Out Transparency; Planning Reform Working Paper: Reforming Site Thresholds; and Reform of Planning Committees: Technical Consultation), as set out in Appendix 1 to this report.
- 3.2. That authority be given to the Service Director - Legal and Governance in consultation with the Portfolio Holder for Planning to agree any additional changes

to the Council's response to Government's national planning reform consultations, ahead of their submission to Government.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. It is considered that the recommendations within this officer report do not pose a significant risk to the Council, as they relate to seeking approval to submit responses to Government consultations on proposed reforms to the planning system. Rather, these recommendations provide an opportunity to contribute to positively shaping proposed reforms.
- 4.2. However, it is important to note that proposals within these Government consultations on planning reforms could have implications for the Council.
- 4.3. Specifically, proposals within the planning reform working paper: speeding up build out and technical consultation on implementing measures to improve build out transparency both propose new responsibilities for Local Planning Authorities with associated resource implications for planning services. The proposed response (Appendix 1) seeks to identify these risks and burdens and proposes mechanisms Government could utilise to ensure they are offset.
- 4.4. Similarly, proposals within the planning reform working paper: reforming site thresholds includes proposals to remove and streamline requirements for applicants of small and medium scale residential development. Dependent on approach to these matters, this could reduce the availability of information to inform decision making and have associated resourcing implications for planning services. The proposed response (Appendix 1) supports an approach which seeks to minimise this risk by ensuring necessary information is provided and also proposes mechanisms Government could utilise to ensure resourcing implications are offset.
- 4.5. The proposal to introduce a national scheme of delegation for planning committees within the reform of planning committees: technical consultation will affect the way in which the democratic processes and Committee Services operate within Shropshire Council.
- 4.6. The Council has previously expressed concern, when responding to engagement on the Planning Reform Working Paper: Modernising Planning Committees, that a national scheme of delegation could erode local democratic oversight and accountability of planning decisions; may not allow for sufficient recognition of local variation and context; could provide little opportunity for local interpretation; and could diminish the role and influence of town and parish councils in the planning process. The scope of the proposed national scheme of delegation is now clearer within the current consultation, but these concerns still remain.

5. Financial Implications

- 5.1. Shropshire Council continues to manage unprecedented financial demands as budgeted for within the Medium Term Financial Strategy approved by Council on 27 February 2025 and subsequent updates. It is also addressed in our monitoring position presented to Cabinet on a monthly basis. Significant management action has and continues to be undertaken to ensure the Council's financial survival. While all reports provide the financial implications of decisions being taken, this may change as officers review the overall financial situation and make decisions aligned to financial survivability. Where non-essential spend is identified within the Council, this will be reduced. This may involve:
- scaling down initiatives,
 - changing the scope,
 - delaying implementation, or
 - extending delivery timescales.
- 5.2. It is considered that the recommendations in this officer report do not have a significant financial implication for the Council, as they relate to seeking approval to submit responses to a series of Government consultations on proposed reform of the planning system. Rather these recommendations provide an opportunity to contribute to positively shaping proposed planning reform.
- 5.3. However, it is important to note that proposals within these Government consultations on planning reforms could have financial implications for the Council.
- 5.4. The planning reform working paper: speeding up build out and technical consultation on implementing measures to improve build out transparency both propose new responsibilities for Local Planning Authorities, including:
- a. Additional strategic master-planning of larger development sites.
 - b. Additional consideration of tenure mix within larger-scale residential development planning applications.
 - c. Administration and monitoring of build-out report proposals and compliance for residential development planning applications.
 - d. Administration of a new 'Delayed Homes Penalty', informed by the review of compliance with build-out reports.
 - e. Consideration of 'past performance' of organisations and individuals submitting residential development planning applications, informed by the review of compliance with build-out reports.
- 5.5. The proposed response (Appendix 1) to these consultations seeks to identify these resource implications and proposes mechanisms Government could utilise to ensure they are offset.
- 5.6. The planning reform working paper: reforming site thresholds includes proposals to remove and streamline requirements for applicants of small and medium scale residential development. Dependent on approach, particularly with regard to affordable housing and biodiversity net gain, this could either increase (by complicating decisions due to more limited availability of information) or reduce

costs (if the decision making process is subject to equivalent streamlining) for operating Council's planning services.

- 5.7. The proposed response (Appendix 1) to this consultation supports an approach which balances achieving the stated objectives of these proposed reforms and minimising resource implications. It also proposes mechanisms Government could utilise to ensure resourcing implications are offset.
- 5.8. Part of Government's stated reasoning for reforms proposed within the planning committees: technical consultation is to reduce the number of planning applications being referred to planning committees and the number of committee decisions made against officer advice that are overturned by the Planning Inspectorate with costs awarded against the Local Planning Authority. This might result in some reduction in costs for the Council in operating its planning committee processes and in planning appeals.
- 5.9. However, the proposed approach to certain application types (classified as Tier B) could result in an increase in the number of applications referred to planning committee in large, unitary council areas such as Shropshire. There is therefore an attendant risk of cost increases for the Council if the proposed reforms do result in a significant increase in committee referrals.
- 5.10. The proposed response (Appendix 1) to this consultation raises concerns with both the principle of a national scheme of delegation and the details of the approach proposed.

6. Climate Change Appraisal

- 6.1. It is considered that recommendations in this officer report will have no effect in relation to climate change, as they relate to seeking approval to submit responses to Government consultations on proposed reforms to the planning system.
- 6.2. Dependent on whether proposals contained within these Government consultations on planning reform are introduced and the specific approach to them, they may have some impact on climate change.
- 6.3. Specifically, proposals to streamline requirements for biodiversity net gain on small and medium scale residential development sites could have a positive or negative effect on the environment and in association carbon offsetting and mitigation.
- 6.4. Furthermore, if the planning reform working paper: reforming site thresholds results in a reduction in the amount of applications being referred to planning committee it may produce a minor positive benefit for the Council's own carbon footprint, as a consequence of minor reduction in energy and fuel consumption linked to operating the committees. This would be the case, for instance, if there is a reduction in committee site visits.
- 6.5. Conversely, if the proposed national scheme of delegation results in an increase in the number of planning applications being referred to committee there could be a minor negative impact on the Council's carbon footprint.

7. Background

- 7.1. Government is currently undertaking a series of consultations on proposed reforms to the planning system. These are:
 - a. Planning reform working paper: speeding up build out.
 - b. Technical consultation: implementing measures to improve build out transparency.
 - c. Planning reform working paper: reforming site thresholds.
 - d. Technical consultation: reform of planning committees.
- 7.2. The planning reform working paper: speeding up build out consultation, seeks views on measures to ensure the right incentives exist in the housing market and Local Planning Authorities have the tools they need to encourage homes to be built out more quickly.
- 7.3. Specifically, Government is seeking views on whether it is appropriate, and if so how, further support could be provided for models of housebuilding which build faster. This includes small sites, strategically master-planned sites, and mixed tenure (different types of home ownership and/or rental options, including affordable and specialist options) sites.
- 7.4. With specific regard to mixed tenure sites, Government are also seeking views on whether a threshold should be introduced (and if so at what level – with the proposal being 500 dwellings) where residential development should be required to be mixed tenured.
- 7.5. Through this consultation, Government is also seeking views on proposals to simplify the Compulsory Purchase Order (CPO) process to promote its use on stalled development sites and on the principle and details of a ‘Delayed Home Penalty’, which could be introduced and utilised as a last resort by Local Planning Authorities in circumstances where a development falls substantially behind a build out schedule without reasonable exceptional circumstances.
- 7.6. In summary, the proposed response is generally supportive of proposals regarding models of housebuilding which build faster, but considers the threshold for mixed tenure development should be more responsive to the community in which the development is occurring - particularly pertinent in a rural area.
- 7.7. The proposed response is also very much supportive of the principle of the ‘Delayed Home Penalty’, given it constitutes tangible recognition that whilst Local Planning Authorities have an important role in managing the supply of housing land, it is the development industry that is responsible for delivery. The proposed response does however raise concerns about the proposals for CPOs, which appear to place the ‘risk’ with Local Planning Authorities.

- 7.8. The technical consultation on implementing measures to improve build out transparency seeks views on the introduction of measures allowed for within the Levelling Up and Regeneration Act (2023).
- 7.9. Specifically, Government is seeking views whether developers of residential schemes over a set threshold should be required to submit to Local Planning Authorities, information outlining intended development timescales at planning application stage; and subsequently progress reports on the development at different stages of the planning and development cycle.
- 7.10. Assuming Government were to introduce such a requirement, through this consultation it is also seeking views on:
- a. The scope and timescales for submission of documents associated with this process, with current proposals including a build-out statement indicating the intended approach and timescales for development with the planning application; a commencement notice; and annual progress reports, until completion.
 - b. The appropriate threshold (the proposal is 50 dwellings or more) and type of residential development (currently proposals are only for general housing) to which these requirements should apply.
- 7.11. Additionally, through this consultation Government is also seeking views on whether it should enable Local Planning Authorities to decline to determine planning applications from a person connected with an earlier development that was built out 'unreasonably slowly'. Such decisions would be informed by the information provided within build-out statements and subsequent progress reports.
- 7.12. In summary, the proposed response is generally supportive of the introduction of these measures, but considers the threshold for build-out statements should be formation of one or more dwelling so that associated information is available on all scales of residential development – particularly pertinent in a rural area.
- 7.13. For the same reason, the proposed response considers requirements related to build-out statements should apply to all forms of residential dwelling, including affordable and specialist housing for older people and those with disabilities and special needs.
- 7.14. The planning reform working paper: speeding up build out consultation and technical consultation on implementing measures to improve build out transparency both commenced on the 25th May 2025, with views sought by the 7th July 2025. Shropshire Council liaised with MHCLG and agreed an extension to the 9th July 2025, to allow for consideration of the proposed response by Cabinet.
- 7.15. The planning reform working paper: reforming site thresholds consultation seeks views on reform of site size 'thresholds' for residential planning applications. The stated intention of this reform is to better support housing delivery on different scales of site, by removing and streamlining disproportionate requirements on small and medium scale sites, while maintaining and strengthening requirements on major development.

- 7.16. Specifically, Government is seeking views on proposals for a more gradated approach to site size ‘thresholds’ for residential planning applications, through:
- a. The introduction of a new medium-scale residential development ‘category’ of 10-49 dwellings / 0.5ha to 1.0ha site size.
 - b. Raising the ‘threshold’ for the major residential development ‘category’ from 10 dwellings / 1.0ha site size to 50 dwellings / 1+ha site size.
- 7.17. Government is also seeking views on whether a similar gradated approach should be taken for non-residential development.
- 7.18. Through this consultation Government is seeking views on proposals to streamline or remove entirely requirements imposed on planning applications for residential development which fall within the ‘minor’ (1-10 dwellings / up to 0.5ha site) or ‘medium’ (10-49 dwellings / up to 1.0ha site) categories and increase requirements for planning applications for residential development which falls within the ‘major’ (50 dwellings or more / 1+ha site) category.
- 7.19. In addition, through this consultation Government is also seeking opinions on barriers and potential mitigation to support the delivery of small and medium scale residential development, with a particular focus on affordable housing.
- 7.20. In summary, the proposed response is generally supportive of the principle of introducing a ‘medium’ scale development category within the planning process, which is not dissimilar to operational practice. It also indicates provisional support for streamlining requirements for small and medium scale residential development requirements – subject to specific clarifications, including ensuring sufficient information is available to reach an informed and robust decision; ensuring that existing requirements for biodiversity net gain are not eroded; and ensuring that affordable housing requirements are not eroded.
- 7.21. With specific regard to affordable housing, the proposed response recommends a definition of designated rural areas is provided within the guidance - in such locations lower thresholds at which market residential development is required to provide affordable housing as a planning obligation can be introduced. Specifically, it is proposed this definition includes all parishes with a population of 3,000 or fewer and all parishes located in a National Park or National Landscape.
- 7.22. Further, the proposed response continues to advocate for the removal of a non-local threshold for affordable housing contributions from market residential development as planning gain.
- 7.23. The proposed response then provides information on potential barriers and mitigation options for small and medium scale residential development, including to support on-site delivery of affordable housing.
- 7.24. The planning reform working paper: reforming site thresholds consultation commenced on the 28th May 2025, with views sought by the 9th July 2025.
- 7.25. The reform of planning committees: technical consultation seeks views on proposals to reform planning committees. Specifically, Government is seeking views on a new national scheme of delegation which would categorise planning

applications into two categories, Tier A and Tier B. Tier A planning applications would be determined via officer delegation (with the limited potential for call-in to planning committee in exceptional circumstances); Tier B planning applications would be determined via officer delegation, unless it is agreed by the chief planning officer (or equivalent) and chair of planning committee that it should be considered via committee.

- 7.26. Through this consultation, Government is also seeking views on the size and composition of planning committees (with the proposal such committees should optimally be 8-11 members). In addition, Government is seeking views on the suitability of mandating training for members of planning committees.
- 7.27. In summary, the proposed response opposes the introduction of a national scheme of delegation, advocating the continuation of a local approach to delegation in order to maintain local democratic oversight, support the role of town and parish councils in decision making, and allow for the recognition of local context and circumstances.
- 7.28. Without prejudice to this position, the proposed response also identifies amendments to the categorisation of certain forms of application (those for minor commercial development, minor residential development, and reserved matters) from Tier A to Tier B, in recognition of the diverse characteristics of Local Planning Authorities across the Country, and the need to maintain local democratic oversight of contentious planning applications within these categories.
- 7.29. With regard to planning committee size and composition, the proposed response is largely supportive of proposals, which are in line with committee sizes employed by Shropshire Council. The proposed response is also generally supportive of the principle of mandating training for members of planning committees, with such an approach already pursued by Shropshire Council.
- 7.30. The reform of planning committees: technical consultation commenced on the 28th May 2025, with views sought by the 23rd July 2025.
- 7.31. Appendix 1 to this report sets out the Council's proposed response to each of these four consultations, structured around the questions posed within them. This officer report seeks approval for this response to be submitted to MHCLG.
- 7.32. In view of the urgent need to submit the Council's consultation responses on the 9th July 2025, to meet deadlines for submission of three of these responses, the Call in and Urgency Mechanism in paragraph 17 of the Overview and Scrutiny Procedure Rules will need to be applied to ensure the response can be submitted within the required timescale i.e. on the 9th July 2025.
- 7.33. The consequence of this, is that this decision will not be able to be "called in" in accordance with the Overview and Scrutiny Procedure Rules.

8. Additional Information

- 8.1. Further information on Government's planning reform working paper: speeding up build out consultation is available at:
<https://www.gov.uk/government/publications/planning-reform-working-paper-speeding-up-build-out/planning-reform-working-paper-speeding-up-build-out>
- 8.2. Further information on Government's technical consultation on implementing measures to improve build out transparency is available at:
<https://www.gov.uk/government/consultations/implementing-measures-to-improve-build-out-transparency-technical-consultation/technical-consultation-on-implementing-measures-to-improve-build-out-transparency>
- 8.3. Further information on Government's planning reform working paper: reforming site thresholds is available at:
<https://www.gov.uk/government/publications/planning-reform-working-paper-reforming-site-thresholds/planning-reform-working-paper-reforming-site-thresholds>
- 8.4. Further information on Government's reform of planning committees: technical consultation is available at: <https://www.gov.uk/government/consultations/reform-of-planning-committees-technical-consultation/reform-of-planning-committees-technical-consultation>

9. Conclusions

- 9.1. Government is currently undertaking a series of consultations on proposed reforms to the planning system, these being a planning reform working paper: speeding up build out consultation; a technical consultation on implementing measures to improve build out transparency; a planning reform working paper: reforming site thresholds consultation; and a reform of planning committees: technical consultation.
- 9.2. Responding to these consultations is considered important as it provides the earliest opportunity to seek to positively influence proposed changes.
- 9.3. Whilst providing positive feedback on some of the Government's proposals, the Council are proposing to raise some very significant concerns on several key areas. In particular, it is considered that:
 - a. The proposed threshold for mixed tenure development (500 dwellings) should be more responsive to the community in which the development is occurring - particularly pertinent in a rural area.
 - b. The proposed threshold for build-out statements (50 dwellings) should be more inclusive and set at the formation of one or more dwelling, so that associated information is available on all scales of residential development – particularly pertinent in a rural area. For the same reason, the proposed response considers requirements related to build-out statements should apply to all forms of residential dwelling.

- c. In principle, streamlining requirements for small and medium scale residential development is logical – subject to ensuring the detail does not result in insufficient information being available to reach informed and robust decisions and streamlining does not undermine biodiversity net gain or affordable housing requirements.
 - d. Guidance should be provided on what constitutes a designated rural area in which lower thresholds for affordable housing contributions from market housing can be secured. Specifically, this should be all parishes with a population of 3,000 or fewer and all parishes located in a National Park or National Landscape.
 - e. A national scheme of delegation is unnecessary and risks undermining local democratic oversight, the role of town and parish council's in decision making, and fails to recognise local context and circumstances. But without prejudice, if Government is minded to introduce such a mechanism, it outlines measures to improve proposals.
- 9.4. Appendix 1 to this report sets out the Council's proposed response to each of these four consultations, structured around the questions posed within them. This officer report seeks consideration of and approval to submit this response to MHCLG.

List of Background Papers

N/A

Local Member: All

Appendices:

Appendix 1. Shropshire Council Response to National Planning Reform Consultations