Planning Market Insight Report from the Planning Portal

September 2020 Planning Market Insight Report:
Householder Application submission and
Prior Approval for Larger home extensions

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Foreword

Welcome to September's Planning Market Insight Report. Normally at this time of year we'd be preparing for things to pick up again after the summer slowdown, but this year hasn't been normal in any way!

Instead of the traditional summer slowdown, we've seen application volumes much higher than usual since the end of May and August was no exception. Last month applications were 19% higher than August 2019, continuing the pattern from June and July, which both saw volumes around 20% higher the previous year.

Things have also been busy in the planning policy world. Not only have we had a white paper to pore over and digest, but we've also seen a whole raft of policy changes implemented over August and at the beginning of September.

The planning white paper 'Planning for the Future' is wide-ranging in its content, looking at nearly all aspects of the planning process. Of particular interest to us are its many recommendations around digitisation and data which would be largely beneficial to our customers and Local Authority partners, and many of which chime with our own strategic objectives:

The white paper is available on GOV.UK and the consultation is open until 29 October 2020.

Meanwhile, the series of changes implemented on 1 August, 31 August and 1 September includes updates to a number of prior approvals to ensure adequate provision of natural light, new prior approvals to build upwards on blocks of flats and houses in certain circumstances and a comprehensive shake-up of the use classes. All the details can be found on our blog.

By coincidence, another prior approval (larger home extensions) features in this month's report, with a deep dive into the data since it was introduced into our online forms in December 2019. We'll be contrasting this with a detailed look at extensions applied for via the planning permission route over the same period.

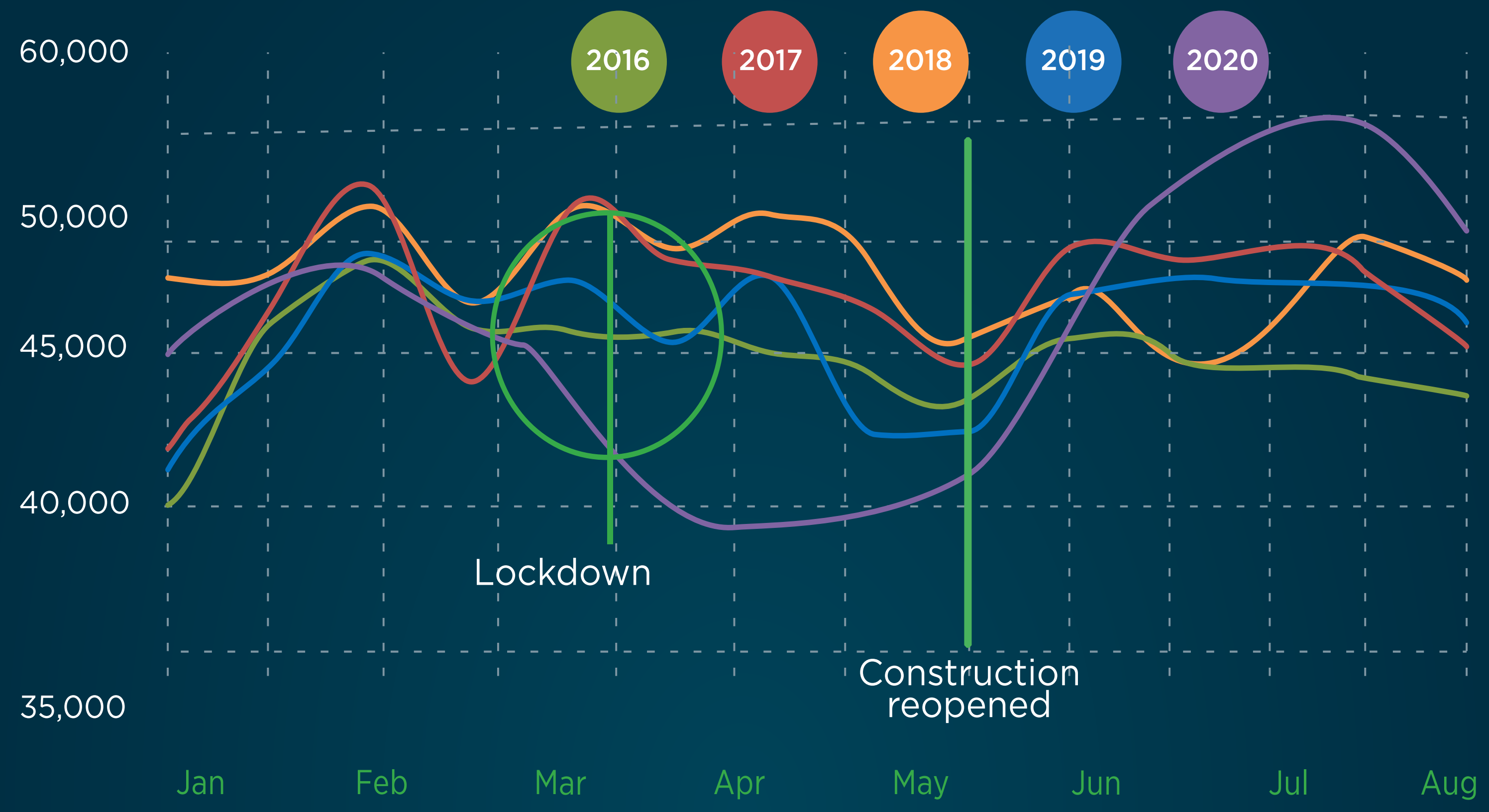
In this most unusual of years, it's unclear to what extent things will settle down in the coming months, but you can be rest assured, that we will keep you up-to-date as the earliest source of data on the market. To access the full details of this report, please contact us to take advantage of the subscribers' launch offer. We'd also love to hear from you if there is further information you'd like to see in future reports.
Email: communications@planningportal.co.uk.

Sarah

Sarah Chilcott
Managing Director

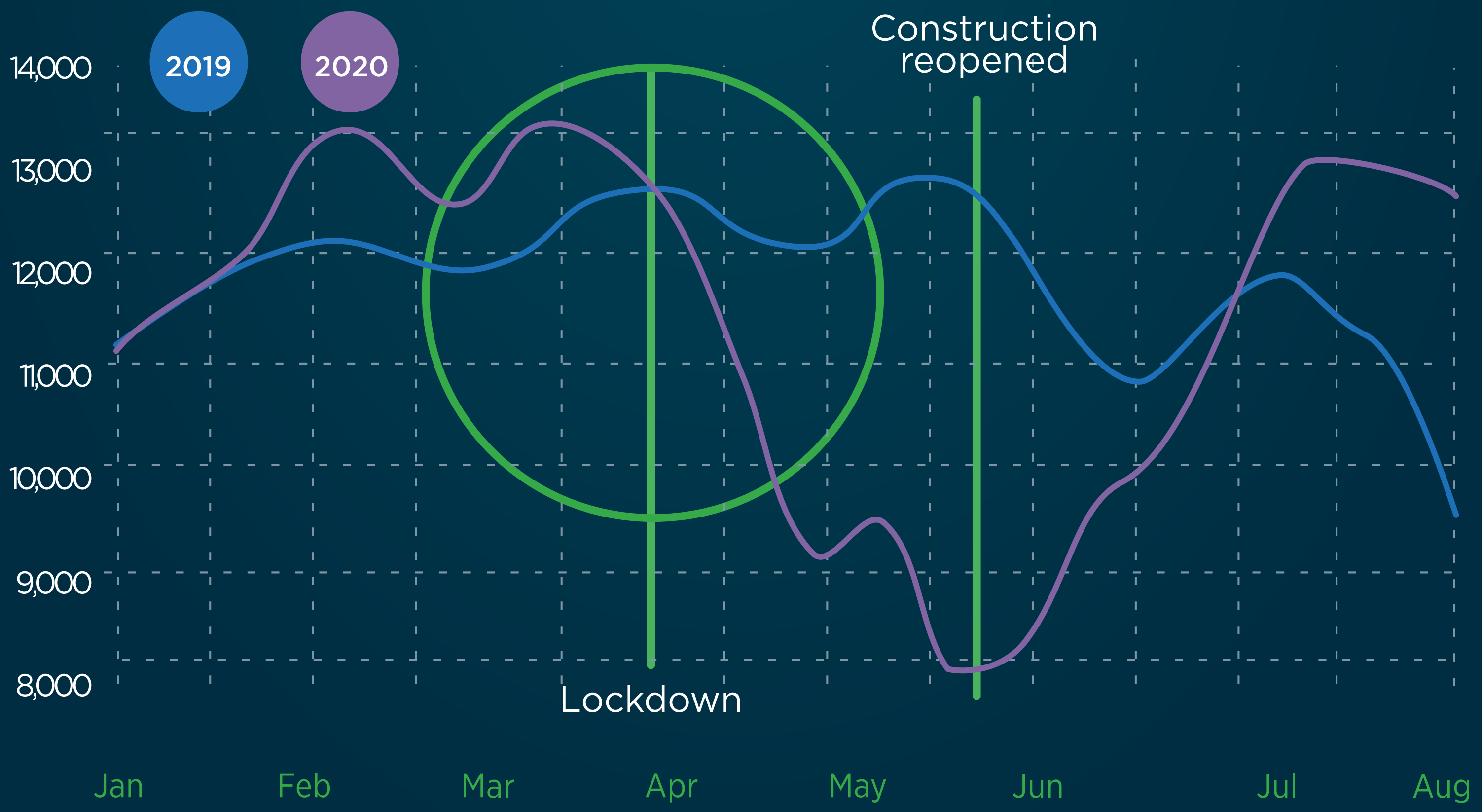
National graph over five years

Application numbers in England and Wales



National graph by week

Application numbers in England and Wales



National graph overview

The national graph represents the number of online planning application submissions via the Planning Portal in the last five years, with a more detailed look at the first eight months of this year. This is useful because applications tend to have a reasonably standard seasonal pattern throughout the year and so comparing across years highlights any unusual trends.

In August 51,458 applications were submitted through the Planning Portal; a decrease of 13% compared to the previous month's record-breaking total of 59,062. However, compared to August 2019's total of 43,272 this was an increase of 19% and follows the recent trend in terms of submission recovery since the COVID-19 lockdown.

The graph clearly demonstrates the contraction of the market from the end of March through to the end of May, with a rapid increase in volumes as restrictions started to ease. Throughout the summer months, the pattern has been remarkably consistent, with volumes for June, July and August all around 20% higher than 2019.

We have now reached the point where the shortfall in applications from March to May has been made up and it will therefore be interesting to analyse this in the coming months and see if these strong numbers continue or if we see the volumes fall back into a more usual pattern for the final quarter.

As the rest of the report highlights, there remain stark differences in how the varying sectors of development are already managing to recover and a great deal of uncertainty still remains more generally, with furlough coming to an end in October and Brexit negotiations still far from finalised.

** The significant change in data shown in 'national graph by week' is where the August bank holiday falls and the date varies year-on-year.*

The regional view

For the third consecutive month, the volume of planning applications is higher than usual in all regions of England and in Wales, but there remains a strong variation in the performance of the different regions.

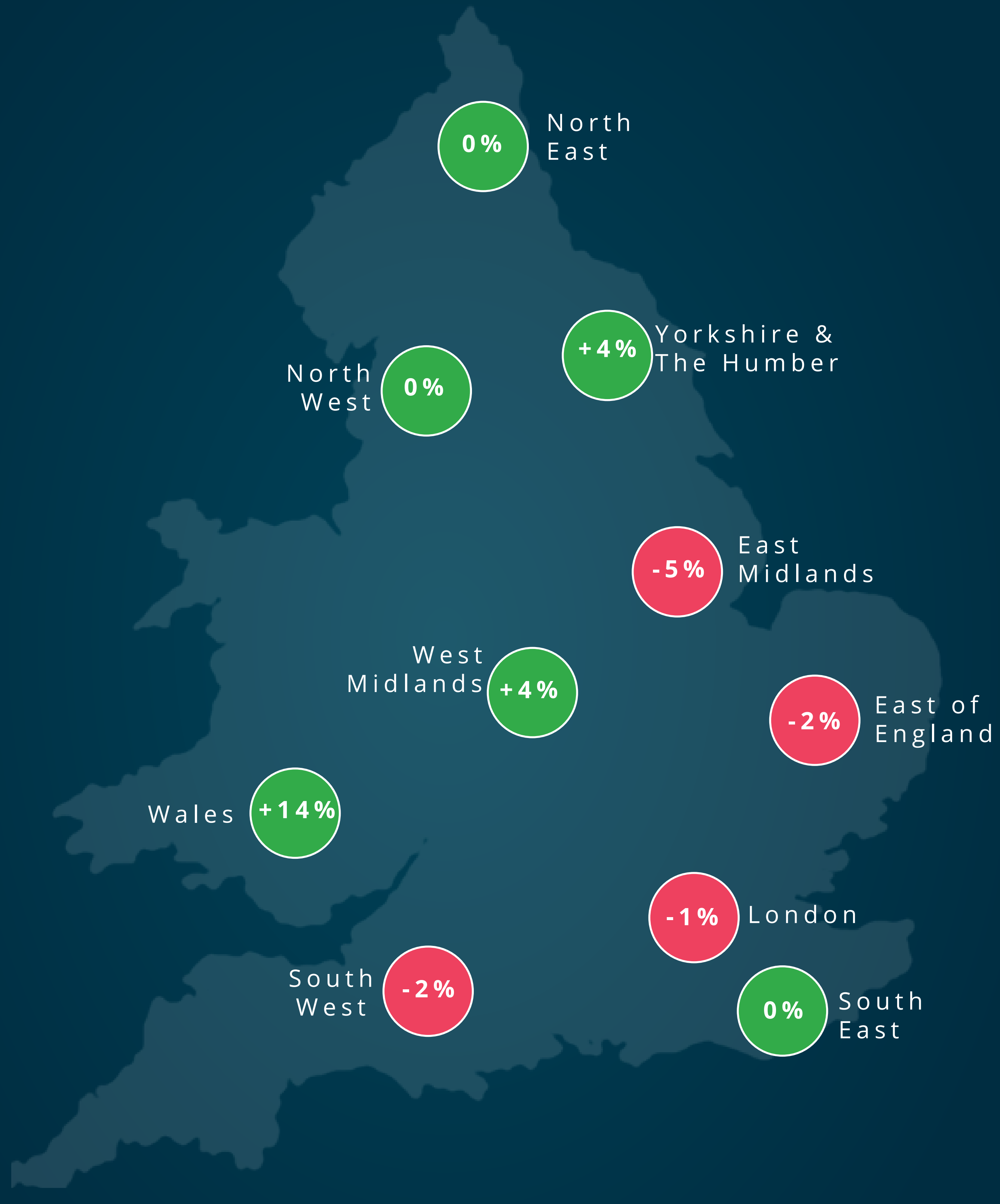
As seen in June and July, the North East and Yorkshire and the Humber were the strongest areas for growth, though it is worth noting that the North East receives the lowest number of submissions across all of the English regions by some margin. Of particular note, is that the majority of application types – including Full Planning – have risen in the North East. Indeed, in July and August, Full Planning applications were 24% and 5% higher respectively than in the same months of 2019. As later analysis shows, this is a distinctly different trend to that seen nationally, where Full Planning applications are behind usual volumes for the time of year.

London continues its pattern of slow recovery from the COVID-19 impact, with August only 11% above 2019 levels. Wales, however, does appear to see an upswing in applications compared to its usual pattern, with August 25% above last year compared to +11% performance in July.

The line graph demonstrates the percentage above/below 2019 volumes for each English region and in Wales between March and August 2020.

The table shows the movement between the July and August 2020 percentages. Many regions have shown a similar pattern between the two months. The largest increases can be seen in Wales, Yorkshire and the Humber and the West Midlands. The East Midlands and the South West both continue to outperform 2019 levels but have slowed slightly between July and August.

Region	Mar	Apr	May	Jun	Jul	Aug
North East	0%	-16%	-12%	+20%	+38%	+38%
North West	-1%	-22%	-14%	+30%	+24%	+24%
Yorkshire & The Humber	-3%	-17%	-5%	+30%	+27%	+31%
East Midlands	-3%	-19%	-16%	+22%	+22%	+17%
West Midlands	-3%	-10%	-11%	+26%	+22%	+26%
East of England	-5%	-20%	-12%	+26%	+21%	+19%
London	-3%	-23%	-19%	+12%	+12%	+11%
South East	-6%	-20%	-14%	+19%	+16%	+16%
South West	1%	-12%	-7%	+23%	+22%	+20%
Wales	-8%	-18%	-21%	+6%	+11%	+25%



The map shows the percentage change in applications by region from July to August 2020.

Applications by type

March - August: 2019 vs 2020

The table of applications by type shows the variation between the same month in 2020 and 2019, across a subset of the different planning application types. Analysing the different types of applications allows us to explore the impact of COVID-19 on different types of development. In keeping with June and July data, we can see that Householder and associated consents continue to come back strongly and that Full Planning applications, which tend to cover larger and more commercial schemes, continue to recover more slowly. Indeed, there are some early indications that Full Planning and associated consents are starting to slow slightly, along with Outline consents which provide a longer-term indication of schemes, particularly larger ones. This data will need to be monitored closely in the coming months to understand whether a new pattern is emerging.

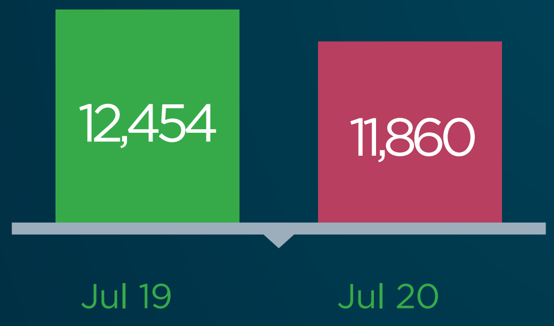
	Mar	Apr	May	Jun	Jul	Aug
Householder and associated consents	-6%	-21%	-19%	24%	+30%	+36%
Full Planning and associated consents	-9%	-23%	-24%	-4%	-4%	-8%
Outline Applications	-9%	-10%	-21%	-12%	-8%	-18%
Advertising Applications	-26%	-61%	-62%	-60%	-44%	-40%
Prior Approval: Development by Telecoms Operators	560%	939%	104%	1837%	+1456%	+851%
Tree Works: Trees in conservation areas/subject to TPOs	-10%	-19%	31%	91%	+59%	+51%
Lawful Development Certificates	-6%	-20%	-17%	+14%	+17%	+32%

Volumes of advertising applications are continuing to improve, having been badly affected during lockdown restrictions. This is a positive sign more generally as these applications, usually related either to advertising hoardings or more generally to shop front signage/branding, can often provide a indicator to wider economic confidence.

The other planning application types highlighted – Prior Approval: Development by Telecoms Operators and Tree Works: Trees in conservation areas or subject to TPOs – both continue to perform strongly compared to last summer, though the variation to last year was slightly lower in August than July in both cases.

This month we have also included data on Lawful Development Certificates (LDCs) for the first time. Here we also see a strong variance as compared to last year's data. As LDCs are often related to works to individual domestic properties, it is unsurprising that we see a similar pattern here to Householder applications and this further reinforces the buoyancy of the homeowner renovation/extension market currently.

Full Planning Applications and associated consents



Householder Applications and associated consents

Householder 'common projects'

With Householder Applications and associated consents making up around 31% of the total number of applications submitted, it is interesting to look in more detail at the different 'common projects' covered by this type of application.

The 54 common projects which provide planning and building regulations advice via our website and interactive guides have been refined to analyse the top five projects by volume of applications, namely extensions, porches, loft conversions, conservatories and outbuildings.

Analysis has been completed using the 'Description of Proposed Works' field on the online applications form. This is a free text field, meaning that the user can input any description they feel is appropriate for the proposed work. Therefore, a keyword search on all Householder applications has been used to better understand the projects involved. Because of the nature of this kind of development, multiple 'common project' categories may be included on the same application, if, for example, a two-storey side extension and loft conversion are part of the same project. Regardless, the keyword analysis provides a very useful indicator of the proposed developments across England and Wales.

2019	Conservatory	Extension	Loft conversion	Outbuilding	Porch	Total
Jan	864	9,708	947	401	1,175	13,095
Feb	1,034	10,827	1,068	436	1,344	14,709
Mar	950	10,897	1,066	442	1,315	14,670
Apr	693	8,439	834	360	1,018	11,344
May	671	7,928	818	422	1,006	10,845
Jun	930	11,043	1,004	572	1,307	14,856
Jul	1,208	12,679	1,148	621	1,452	17,108
Aug	985	10,697	980	518	1,282	14,462
Total	7,335	82,218	7,865	3,772	9,899	111,089

Number of 'common projects' by type listed in the Proposal Description of Householder Applications, Jan-Aug 2020

The table clearly shows that extensions are by far the most frequently applied for project, included in around 74% of all Householder applications so far in 2020. Porches are the next most popular project, but represent only 9% of Householder applications, followed by loft conversions (7%), conservatories (6.6%) and outbuildings (3.4%). Of course, with many people working from home over recent months there has been increased interest in outbuildings as a way to separate work and family life, however many outbuildings can be installed under permitted development without the need to go through the planning process.

Comparison of Householder Applications 'common projects' 2019 vs 2020

The data reveals that the most popular extension type is a single rear extension. This does raise the question whether some of these applications could take advantage of the prior approval application form for a larger home extension. The proceeding popular type is a single storey side extension.

A future improvement on the Planning Portal application service could be to think about giving applicants of Householder applications a common list of options to standardise proposal descriptions. This could make it simpler and easier for them to select as we understand that Local Planning Authorities often change these descriptions on receipt of applications to make them more concise, specific and meaningful for communities and consultees to understand at the consultation stage. This would also help to introduce greater standardisation nationally on Local Planning Authorities planning registers and mean that analysis of the different types would be much easier.

2019	Conservatory	Extension	Loft conversion	Outbuilding	Porch	Total

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Breakdown of extension proposals by description

There are many different types of extensions being applied for that applicants use several common terms when describing the proposal descriptions for applications submitted. The following tables review extension applications submitted in 2020 but whilst it doesn't capture every application, it does give a good representation of the types of extension projects in the pipeline.

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Prior approval: Larger home extensions in England

In May 2019 the government changed the General Permitted Development Order in England that made permanent the increased size limits for single-storey rear extensions that were previously time limited and due to expire on 30 May 2019.

This was part of their planning reforms of supporting the high street and increasing the delivery of new homes, and any such proposals would still be subject to the associated neighbour consultation scheme that requires the relevant Local Planning Authority to be informed of the proposed work via a prior approval application.

'Single-storey rear extensions must not extend beyond the rear wall of the original house by more than 4m if a detached house; or more than 3m for any other house. Where not on designated land (Article 2(3)) or a Site of Special Scientific Interest, this limit is increased to 8m if a detached house; or 6m for any other house'.

This Prior Approval form was added to our suite of online forms in December 2019 following much demand from professional agents and authority partners to digitise and streamline the submission process for all applications types and replace the inefficient paper submission and payment process.

Since their online introduction, these application types have realised an increased take-up, as the table shows.

Prior approval: Larger home extension submissions

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Prior Approval: Larger Home Extension	695	991	1,284	1,004	1,082	1,537	1,767	1,502	11,133

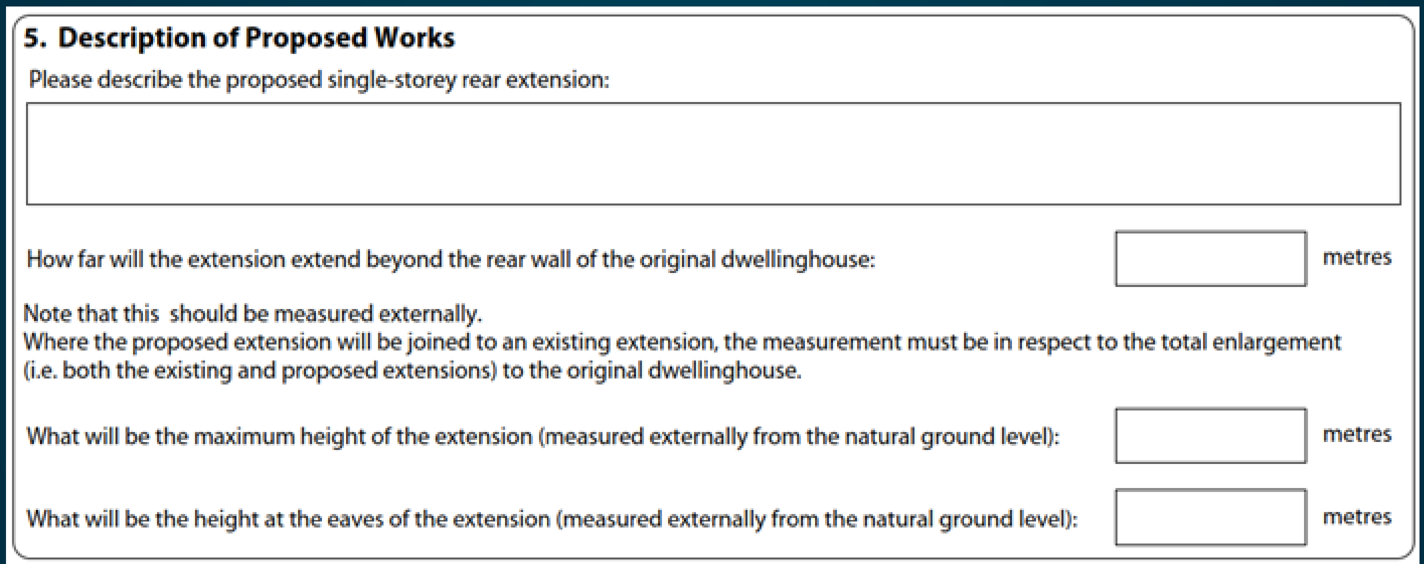
Submission by region in July and August 2020

As expected, the data shows that the submission of these applications across the regions correlate with that of Householder application submissions; with London and the South East receiving the most, and the North East receiving the least.

Prior approval eligibility for single-storey rear extensions and what questions are asked

In order to ascertain if the prior approval route can be used, this application form has certain eligibility questions to determine if the proposal is applicable to this type of application.

When providing details of the 'description of proposed works' there are a few questions to capture the size of the rear extension.



5. Description of Proposed Works

Please describe the proposed single-storey rear extension:

How far will the extension extend beyond the rear wall of the original dwellinghouse: ______ metres

Note that this should be measured externally.
Where the proposed extension will be joined to an existing extension, the measurement must be in respect to the total enlargement (i.e. both the existing and proposed extensions) to the original dwellinghouse.

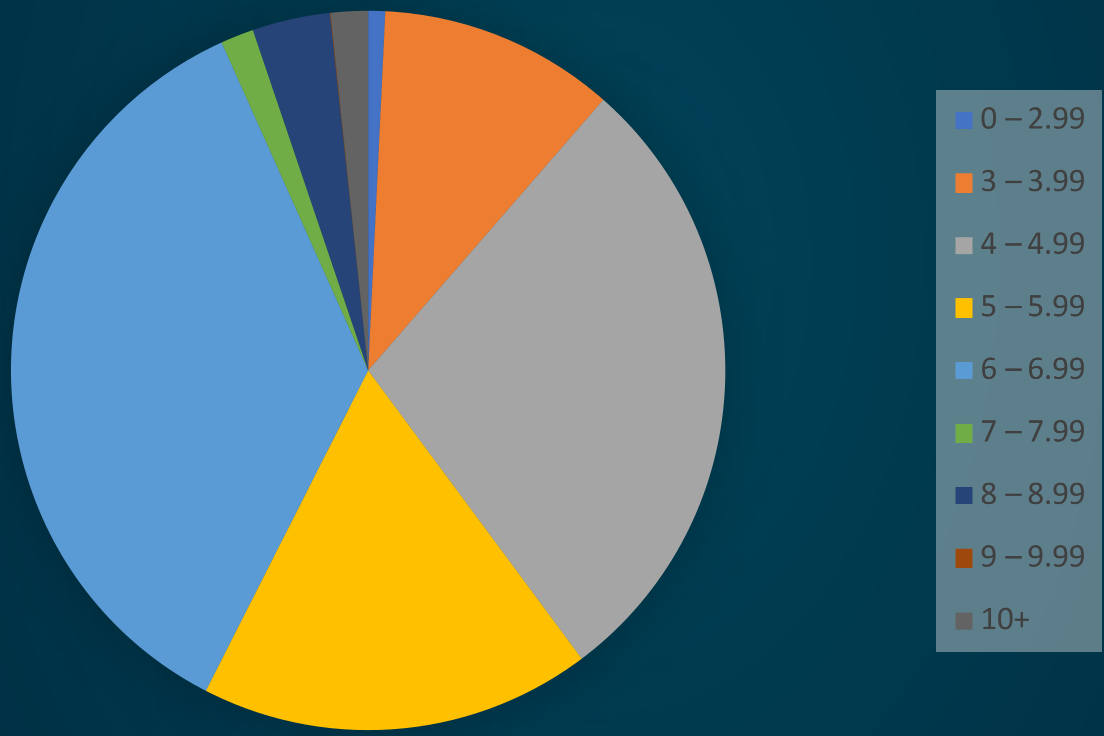
What will be the maximum height of the extension (measured externally from the natural ground level): ______ metres

What will be the height at the eaves of the extension (measured externally from the natural ground level): ______ metres

Of these questions, the one of interest is 'How far will the extension extend beyond the rear wall of the original dwellinghouse'.

The pie chart shows a breakdown by percentage of the length in metres of extensions applied for.

Extension length beyond rear wall	Number of applications	%
0 – 2.99	25	1%
3 – 3.99	349	11%
4 – 4.99	927	28%
5 – 5.99	579	18%
6 – 6.99	1,169	36%
7 – 7.99	49	1%
8 – 8.99	115	4%
9 – 9.99	1	0%
10+	55	2%
Total	3,269	100%



Legislation states that 'where not on designated land (Article 2(3)) or a Site of Special Scientific Interest, the rear extension limit is increased to eight metres if a detached house; or six metres for any other house'. It can therefore be assumed that 58% of prior approvals are for terrace and semi-detached houses whereas 42% are for detached properties. It also highlights that 28% of proposals being applied for extend by 4-4.99 metres although the most popular size range at 36% is for extensions between 6-6.99 metres.

Breakdown by regional submission

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Local Planning Authorities

This month's report focuses on Wales. Although COVID-19 restrictions here have lasted longer than in most of England, activity in the region does now appear to be accelerating as it emerges from lockdown, with the volume of applications in August 25% higher than last year, compared to only 11% in July.

It should be noted however, that applications in Wales are traditionally lower than most of the English regions, and they represented around 3% of the total applications submitted online in August 2020. Cardiff, Powys and the Vale of Glamorgan receive the highest numbers of applications. The table shows the authorities ordered by the increase in volumes in August, highest to lowest.

LPA	Jun-19	Jun-20	% (+/-)	Jul-19	Jul-20	% (+/-)	Aug-19	Aug-20	% (+/-)
Merthyr Tydfil County Borough Council	18	29	61%	20	32	60%	11	23	109%
Brecon Beacons National Park	58	50	-14%	47	51	9%	33	66	100%
Caerphilly County Borough Council	59	83	41%	48	88	83%	43	67	56%
Pembrokeshire Coast National Park	45	32	-29%	41	25	-39%	26	39	50%
Conwy County Borough Council	57	73	28%	86	73	-15%	65	97	49%
Flintshire County Council	72	69	-4%	94	99	5%	65	94	45%
Pembrokeshire County Council	88	61	-31%	97	89	-8%	64	92	44%
Rhondda Cynon Taf County Borough Council	71	76	7%	82	117	43%	54	77	43%
Denbighshire County Council	53	34	-36%	58	66	14%	43	60	40%
Powys County Council	87	127	46%	93	136	46%	93	127	37%
Newport City Council	91	97	7%	106	98	-8%	60	80	33%
Monmouthshire County Council	90	91	1%	91	103	13%	68	90	32%
Snowdonia National Park	27	22	-19%	26	29	12%	24	30	25%
Cardiff Council	192	195	2%	210	231	10%	189	231	22%
Bridgend County Borough Council	50	65	30%	46	77	67%	49	57	16%
Wrexham County Borough Council	52	57	10%	83	65	-22%	74	84	14%
Vale of Glamorgan Council	87	113	30%	115	131	14%	99	110	11%
Ceredigion County Council	48	38	-21%	47	53	13%	46	49	7%
Neath Port Talbot County Borough Council	66	62	-6%	50	87	74%	56	58	4%
Torfaen County Borough Council	25	46	84%	37	32	-14%	36	35	-3%
Gwynedd Council	52	60	15%	66	58	-12%	69	55	-20%
Isle of Anglesey County Council	48	45	-6%	67	61	-9%	63	50	-21%
Blaenau Gwent County Borough Council	17	18	6%	28	14	-50%	19	13	-32%

Planning fees

One of the main concerns for Local Planning Authorities in relation to the impact of COVID-19 is the potentially significant reduction in fee income from planning applications as volumes fall.

The fees table shows that whilst March 2020 saw an increase in fees of 5.4% on March 2019, April and May were hit hard with a combined loss of £9.3M of planning fee income in England.

As June, July and August submission figures have risen significantly, fee income continues to be down on 2019 by nearly £3.5 million over the three months, meaning that workload is increasing for Local Planning Authorities, but income isn't.

The variation in the trend lines for planning application volumes and planning fees, is likely to be explained by the current make-up of applications. As we see from the different types of applications, Full Planning and Outline applications have taken longer to recover and come back into the pipeline. These larger schemes cross-subsidise the smaller, high volume applications and therefore are a key income stream to sustain planning departments.

Changes in August and early September introduce new types of prior approval for some projects which would previously have been planning applications, such as upwards extensions. This may exacerbate the financial and operational pressure on Local Planning Authorities, as prior approval fees are lower than planning fees and are often more complex to process and evaluate.

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Planning application supporting data

Over 500,000 online planning applications get submitted each year across England and Wales. Have you ever wondered what specialist supporting documentation is provided, so that local authorities can process them and issue a decision?

The Planning Portal collects all specialist data on supporting documents, in line with the government's national and local validation checklists, along with all the detailed plans and drawings.

This could provide valuable insight into the range and nature of specialisms, as well as challenges to overcome to ensure a successful outcome through the planning process.

Materials proposed in development

When submitting a planning application, the applicant must provide details of the materials they wish to use for walls, roofs etc, including the type, colour and name of the materials to be used.

Additional information may be provided in a design and access statement or planning support statement or shown on the plans and drawings.

This could provide valuable insight into elements of the environmental efficiency of proposed developments, as well as trends such as costs or evolving consumer preferences.

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Find out more

September's report presents a different set of application data and shows the range and depth of planning information which exists and the insight it can provide. Some of the content has been retained exclusively for subscribers.

If you are working on a specific research project or are seeking to understand early stage intelligence on the construction pipeline, we can help by identifying valuable trends and insight in planning and building control applications. By offering this data at the earliest possible stage – as permission is applied for – you can gain competitive advantage in your business planning decisions, whether it be a one-off requirement or something that you want to monitor change over a longer-period.

To learn more about what is available or to register your interest in subscribing, please get in touch at communications@planningportal.co.uk.

What's coming in next month's edition?

We hope that the additional information provided in this edition gives further insight into the planning data captured from the Planning Portal.

This month we have focussed specifically on the Householder 'common projects' and delved into extensions, whilst also looking at prior approval for larger home extensions.

With momentum now increasing with the government's building safety programme, in October we are planning to investigate those applications falling within the 'in scope' definition of the programme, now that the Draft Building Safety Bill has been published.

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Places are limited and more than 80% sold!

Speaker announcement:
Joanna Averley, MHCLG's new Chief Planner confirmed as keynote speaker

Joanna Averley will be the opening keynote speaker for the Conference, covering planning reform. She will be addressing the government's white paper just three weeks after the consultation is due to close.

The conference will take place online from 16 – 19 November and will provide 12 hours of content over the four-day event, including speakers and panel discussions covering the most important topics effecting planning and building.

The agenda will include planning reform, zero carbon targets, and technology in both development management and in the planning process.

There will be multiple chances to interact with all attendees, exhibitors and speakers for networking opportunities, and live interactions will be held through polls and Q&A sessions.

The event will happen online this year, helping to keep all delegates, sponsors and exhibitors safe during the uncertain times occurring due to COVID-19.

To find out more information and book your place, visit www.planningportal.co.uk/conference

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