Planning Market Insight Report from the Planning Portal

August 2020 Summer Planning Market Insight Report: COVID-19 and Outline Applications for Residential Schemes

Foreword

As we enter the main summer month of August, the school year has finished and all pupils have formally broken up for six weeks leave. This is usually the main holiday season, when employees across all types of business take leave to spend time with friends and family and have their annual holiday at home or abroad for a week or two. However, things are different this year. The impact of COVID-19 has disrupted the usual routines and planning and building is busier than it has ever been at this time of year.

Last month we reported the huge increase in planning application submissions of 21% when compared to June 2019. July's figures are now in and have continued in the same upward trajectory, showing a 19% increase when measured against the previous year.

Looking directly at the July figures revealed a gigantic total of 59,062 applications submitted via the Planning Portal. This is the highest volume of planning applications submitted online in a single month since the Planning Portal records began in 2005. The data is distinctly out of kilter with the typical summer slowdown and would suggest the stalled proposals from late March, April and May have now been reviewed and are being submitted.

It is difficult to predict how long the upward trend may continue, but perhaps applicants are spending their holiday refunds and savings on home improvements? From our own business development team's engagement with professional agents, planning consultancies and Local Authorities, it is full steam ahead with no anticipated break.

To make matters more interesting we have seen the government introduce a raft of new changes to permitted development rules that come into effect on 1, 31 August and 1 September 2020. More details on these changes can be found on our blog here.

Coupled with this there have also been many more announcements from Ministers over recent weeks about planning, building and construction more generally to kick-start the economy. These include a £1.3 billion investment to deliver homes, infrastructure and jobs, the long-awaited planning White Paper, and prior to this the 'Build, Build, Build' speech by the Prime Minister. There will be more analysis on these in coming reports.

This month's report is a lighter summer report, while some of our team take a break too, but we'll be back next month with more data and analysis on planning applications and what it means for the economy overall.

To access the full details of any earlier editions, please contact us to take advantage of the subscriber's introductory offer. We'd also love to hear from you if there is further information you'd like to see in future reports. To get in touch, email communications@planningportal.co.uk.

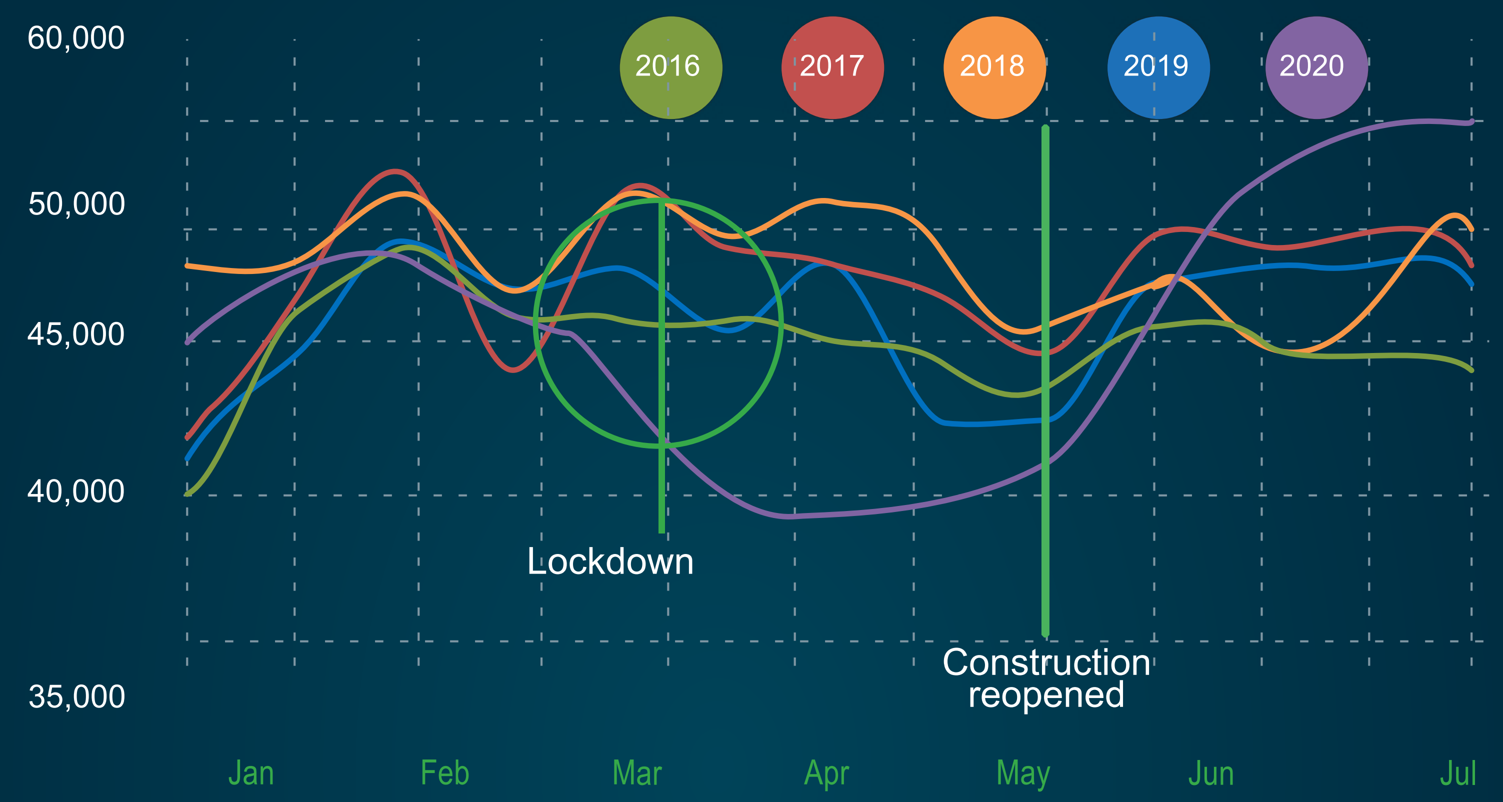
If you've not already taken your summer leave, we wish you a stress-free break.

Sarah

Sarah Chilcott
Managing Director

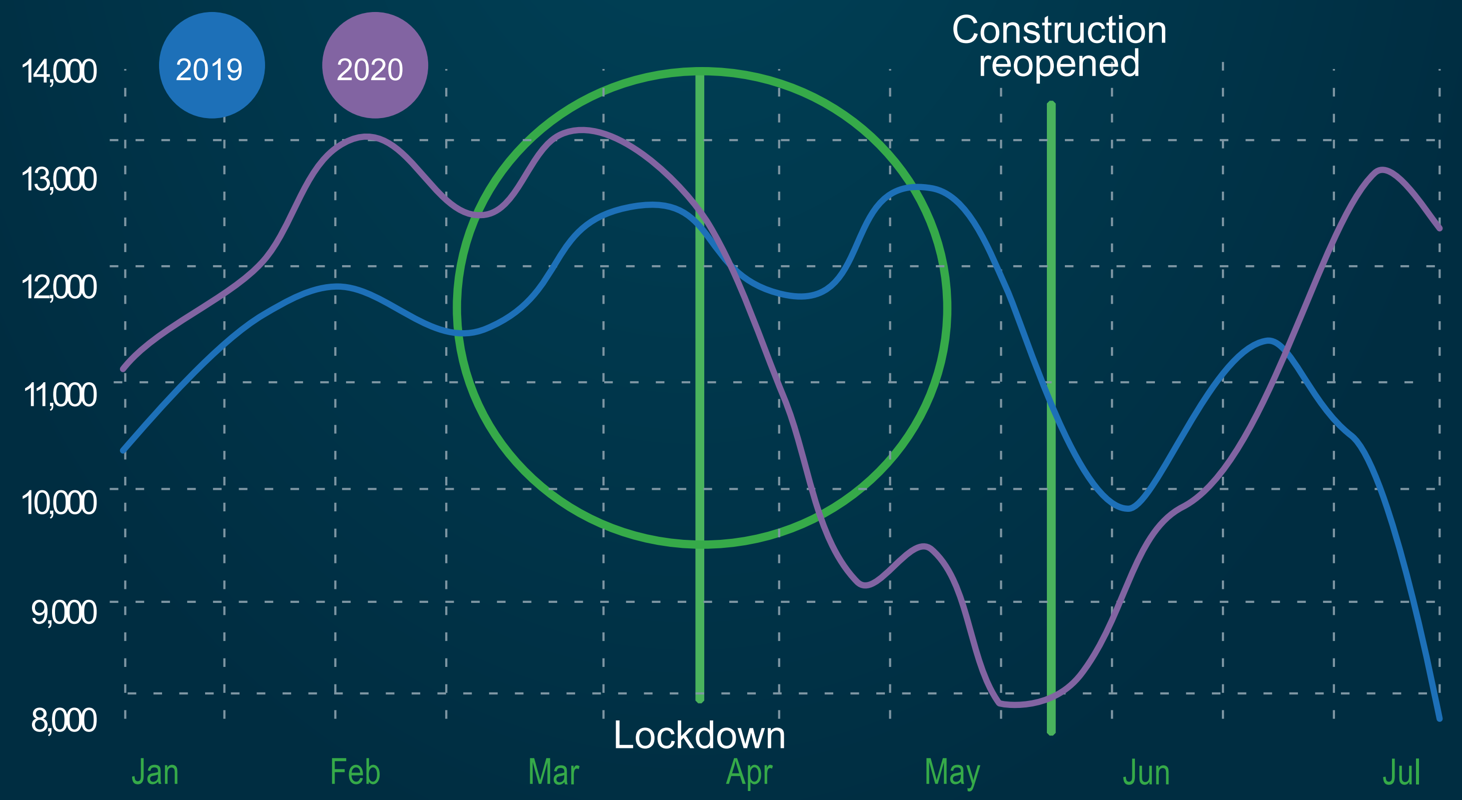
National graph over five years

Application numbers in England and Wales



National graph by week

Application numbers in England and Wales



National graph overview

The national graphs represent the number of online planning application submissions via the Planning Portal in the last five years, with a more detailed look at the first seven months of this year.

The typical pattern shows submissions increasing from January to March, a dip in April and a small rise in May that then levels out. When looking at the 2020 line, the decline in late March to an April low is a very sharp drop and the recovery in May, June and July creates a dramatic 'V' in submissions never seen before.

April 2020 had by far the lowest volume of planning application submissions respectively for this month in any of the five years, and the equal lowest volume for a single month in any of the five years shown.

It is also easy to identify the three highest submission months on the graph; first is July 2020, second is June 2020, and third is March 2017. The fact that two of these three highest months ever are COVID-19 recovery months demonstrates the strength of the recovery so far. Whilst it is clear that applicants have continued with plans to obtain planning permission, it remains to be seen if development starts swiftly if permission is granted.

Government recently introduced measures through the Business and Planning Act 2020 to provide an extension to planning permissions and listed building consents which have lapsed or are due to lapse between 23 March and 31 December 2020, with an extension to 1 May 2021.

The extension applies automatically for permissions and consents which are extant in between the measures coming into force on 19 August 2020 and 31 December 2020. Any planning permissions which have lapsed since 23 March 2020 can be reinstated and extended subject to an Additional Environmental Approval.

More information on these measures, including the process for Additional Environmental Approval, can be found in the planning practice guidance.

This is a positive step that will allow applicants additional time to plan their development if affected financially by COVID-19, with some recovery time for finances to settle.

The regional view

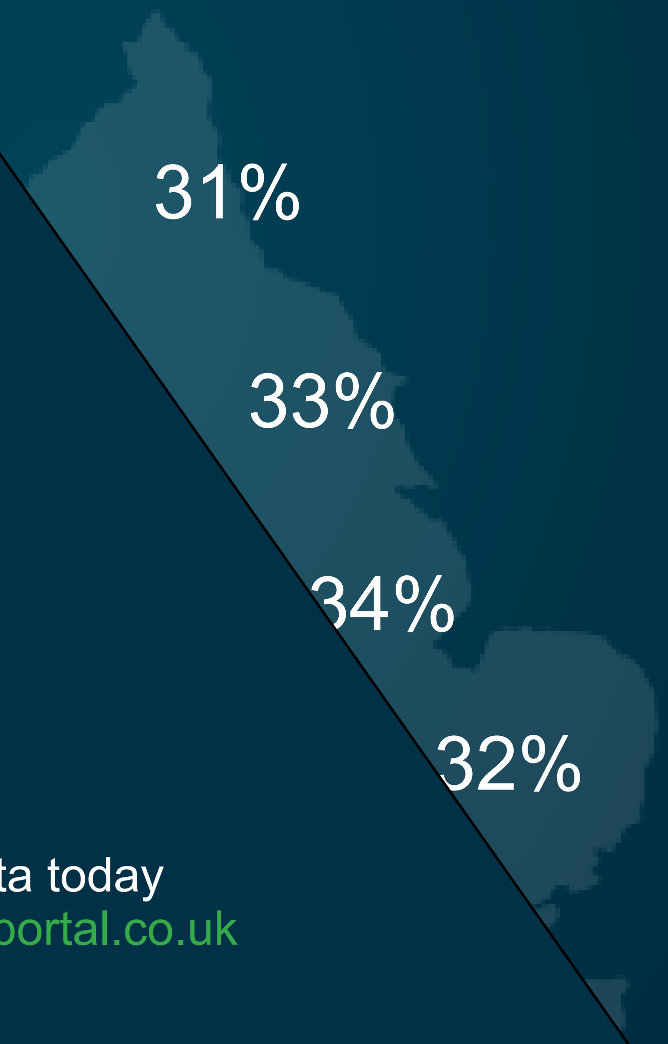
For the second consecutive month, the volume of planning applications is higher than usual in all regions of England and in Wales, with most areas between 21% and 27% higher than typical July volumes.

Analysing the percentage variation in each month as compared to the previous year, gives us a strong indication of the variation regionally from the seasonal norm and the recovery in submissions taking place.

In June, Yorkshire and the Humber was one of the strongest areas for growth but the regions have changed in July with the North East now showing the largest growth, and Yorkshire and the Humber moving into second place. Whilst the North East is showing levels 38% up on July 2019, it is worth noting that that region receives the lowest number of submissions across all of the English regions by some margin.

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

Region	June	July
North East	3,273	4,009
North West	6,371	7,702
Yorkshire & The Humber	10,302	11,511
East Midlands	1,032	1,422
West Midlands	4,238	5,247
st of England	10,450	12,097
don	5,574	6,822
East	1,638	1,815
est	3,449	4,210
	3,334	4,227



Unlock the full report data today
communications@planningportal.co.uk

Applications by type

March - July: 2019/2020

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

Analysing the different types of applications allows us to explore the impact of COVID-19 on different types of development. In keeping with June data, we can see that Householder and associated consents continue to come back strongly as lockdown continues to ease in most of the country and that Full Planning applications, which tend to cover larger and more commercial schemes, continue to recover more slowly.

This month however, we can see some recovery in both Outline consents and Advertising applications, perhaps a good longer-term indicator of the health of the sector. Outline consents, as the very earliest indicator of a larger planning application to come, can demonstrate forward planning in the development market and it is therefore interesting to see a potential improvement in this type of application over the last few weeks.

The fact that Advertising applications are also starting to come back towards typical volumes is also a positive sign. These applications can be related to specific advertising hoardings or more generally to shop front signage/branding, so can often provide a barometer to the health of the economy and business more generally. There is still some way to go to get back to volumes usually seen at this time of year, but as this is the first month where we have any significant movement in the trend, it could be viewed as a first step on the road to recovery.

Residential proposals: Submitted using the Outline Planning application forms

Following last month's feature on residential development proposals using the Full Planning and associated forms, this month we have chosen to look at the residential proposals that are applied for using the Outline forms.

Interestingly, the data shows that approximately 58% of all Outline applications submitted using these forms are for residential developments. The table shows the breakdown of this by type in 2020.

All types of Outline applications submitted to date in 2020

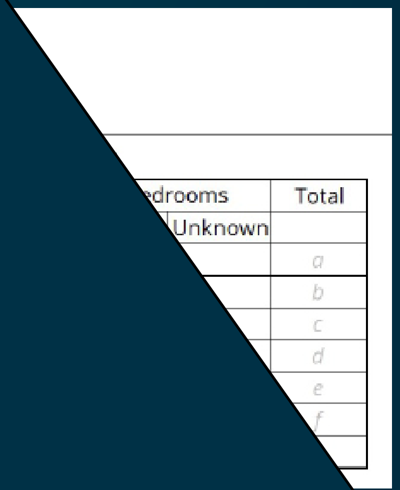
Planning Portal Application Form	Jan	Feb	Mar	Apr	May	Jun	Jul	Total
Outline planning permission: Some matters reserved	275	294	356	311	267	298	4,326	4,326
Outline planning permission: All matters reserved	192	179	172	156	155	181	216	1,250
Grand Total	466	473	528	422	479	564	564	3.399

esidential applications submitted using Outline lication forms in 2020

tal Application Form	Jan	Feb	Mar	Apr	May	Jun	Jul	Total
permission: d	89	100	89	73	80	114	121	666
sion:	158	172	206	182	143	215	225	1,301
	247	272	295	255	223	329	564	3.399

nning forms, applicants are required
ıbmitting a residential scheme. They
nits (including conversion) and
ss or change of use of residential
re then captured on the total
gs, that exist at present and
lete, by housing category and

ll Planning application



edrooms | Total
Unknown
a
b
c
d
e
f

Unlock the full report data today
communications@planningportal.co.uk

Once the table has been fully completed, it captures the 'Total Net Gain' or 'Loss' of 'Residential Units' through a simple calculation of the Proposed Housing Total - Existing Housing Total.

In last month's report we looked at Full Planning proposals for re
applications being applied in the first six months of this year. T
shows a Proposed Housing Total of 93,882 units, an Existing
Total of 16,503 units and therefore, a Total Net Gain of 77,3

This month we are reporting the figures for application
the Outline Planning forms to obtain a more holistic v
residential applications being applied for.

Analysis of the Outline Planning forms reveals a
63,368 units, including July 2020.

Net Gain of Residential Units by R

As with other types of planning applic
picture across the English regions.
dential table is not mandatory the

It is interesting to note that in
the number of Outline applic
the net gain in residential

Region
East Midlands
East of England
London
North East
North W
South
We
Y

PLANNING PORTAL

Major vs Minor residential developments

are various classifications of residential developments, relating scale in terms of the number of units to be provided.

oment Management Procedure Order 2010 defines ication as one where the number of residential units to is ten or more, with a Minor application defined as one one – nine units are being created.

a couple of additional application classifications erstand in order to drill down within the Major

nents for dwellings: 200+ residential units.
nts for dwellings: between ten and 199

own by category for Outline 20. It highlights that more than ate to developments of 199 ese being for less than ten

pplications, by

Unlock the full report data today
communications@planningportal.co.uk

Residential housing categories

For each application, the residential units being proposed can be classified according the defined housing categories, though this is not required at Outline consent stage. Housing categories are defined as:

Market - Housing sold or rented on the open market

Social, affordable or intermediate rent - These three rental categories are grouped together, but each has a specific definition:

- Social rented housing is owned by Local Authorities and private registered providers, for which guideline target rents are determined through the national rent regime.
- Affordable rented housing is let by Local Authorities or private registered providers of social housing to households who are eligible for social rented housing.
- Intermediate rented housing is provided at a cost above social rent, but below market levels subject to the Affordable Housing criteria.

Affordable home ownership - Affordable housing is intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices.

Starter homes - New homes or new conversions with a discount of at least 20% of their full market value. Starter home prices are capped at £250,000 outside London and £450,000 in London, they will also generally have restrictions applied to their ability to be rented or resold.

Self-build and custom build - Houses built or completed by individuals or persons working with or for them, to be occupied by those individuals. In considering whether a home is a self-build or custom build home, relevant authorities must be satisfied that the initial owner of the home will have primary input into its final design and layout.

The table shows how the net gain units break down by housing
ategory each month for the first seven months of 2020. There
additional categories shown because we updated the housing
rs on the online planning application service to accurately
the new classification in late May 2020. However, what is
hat the overriding majority of housing applied for so far in
sale or rent on the open market.

f Units by Housing Category

lan	Feb	Mar	Apr	May	Jun	Jul	Total
	4,111	9,227	8,140	3,324	7,339	10,009	**53,852**
	N/A	N/A	N/A	N/A	177	1,265	**1,442**
	/A	N/A	N/A	N/A	98	326	**424**
		N/A	N/A	N/A	21	12	**33**
		/A	N/A	N/A	**39**	**91**	**130**
			139	201	186	35	**1,953**
			11	3			**112**
			32	540	1,718	124	**5,422**
				4,068	**9,578**	**11,862**	**63,368**

Jun	July	Total
1	-6	-603
	0	-28
	913	10,696
	8,737	38,616
	0	10
		14,169
		58
		68

Unlock the full report data today
communications@planningportal.co.uk

Residential Unit Types

The residential application data also provides a breakdown by the unit (or dwelling) types being applied for.
The unit types are defined as:

Houses - A dwelling that is not a flat, includes single-storey bungalows.

Flats / Maisonettes - Includes separate and self-contained premises constructed or adapted for use for residential purposes and forming part of a building from some other part of which it is usually divided horizontally. Maisonettes are flats containing more than one storey.

Cluster flats - Units with no separate or self-contained living and sleeping accommodation within a larger building of which it forms a part.

Sheltered housing - specifically designed housing in a group with services such as the support of a warden, communal facilities, alarm systems and laundry services. Also includes grouped housing schemes without the services of a warden and other communal facilities.

Bedsits / Studios - Refers to a bedroom/living room containing cooking facilities. In addition, it may also contain washing facilities or even a shower.

Other - Other types of dwellings not specifically referred to in the above types.

The table shows that most developments, where specified, are for houses and flats or maisonettes. However, as we are reviewing Outline applications where applicants are applying for the development in principle, you can see that many have not defined the unit types at this stage.

Residential units: number of bedrooms

The Outline application form captures information on the number of bedrooms for each of the proposed and existing units.

The table below presents the total number of proposed units being applied for in each of the first seven months of 2020.

As with the housing categories and unit types, number of bedrooms is not required at Outline stage and as such is not often included in the initial application.

No. Beds	Jan	Feb	Mar	Apr	May	Jun	Jul	Total
One								
Two								
Three								
Four								
Unknown								
Grand Total								

Unlock the full report data today
communications@planningportal.co.uk

Local Planning Authorities

This month we look at the applications for the North East, as this is the region with the highest volume of applications over the seasonal average. As mentioned earlier, this region generally receives lower volumes than the other English regions, with the two County Councils and the metropolitan areas receiving the majority of applications submitted. Even within this region, there is a wide variation in the seasonal averages across the different Local Planning Authorities (LPAs).

LPA	Jun-19	Jun-20	% (+/-)	Jul-19	Jul-20	% (+/-)
Northumberland County Council	193	233	21%	224	319	42%
Durham County Council	206	273	33%	204	306	50%
Newcastle City Council	165	159	-4%	124	150	21%
Sunderland City Council	49	92	88%	55	110	100%
Gateshead Metropolitan Borough Council	88	88	0%	81	98	21%
North Tyneside Council	70	84	20%	95	87	-8%
South Tyneside Metropolitan Borough Council	40	51	28%	31	74	139%
Stockton-on-Tees Borough Council	57	75	32%	63	70	11%
Redcar and Cleveland Borough Council	33	36	9%	36	64	78%
Darlington Borough Council	47	62	32%	53	61	15%
Middlesbrough Borough Council	38	36	-5%	29	49	69%
Hartlepool Borough Council	22	22	0%	31	28	-10%
Northumberland National Park Authority	5	9	80%	6	6	0%

Planning application fees

f the main concerns for Local Planning Authorities in relation to
act of COVID-19 is the potentially significant reduction in fee
om planning applications as volumes fall.

shows that whilst March 2020 saw an increase in fees of
2019, April and May were hit hard with a combined loss
ing fee income in England.

nission figures have risen significantly, fee income
on 2019 by more than £3 million over the two
orkload is increasing for LPAs, but income is

for planning application volumes and
lained by the current make-up of
different types of applications, Full
ave taken longer to recover and
rger schemes cross-subsidise
nd therefore are a key income

esource problems at LPAs,
uts as local authorities

Month	2019	2020	Change (£)
March	£22,353,033	£23,561,097	£1,208,06
April	£22,722,047	£19,187,607	-£3,53
May	£24,046,669	£18,181,214	-£
June	£22,555,314	£21,791,229	
July	£25,525,135	£23,152,30	

Unlock the full report data today
communications@planningportal.co.uk

PLANNING PORTAL

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 as 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.

Unlock the full report data today

communications@planningportal.co.uk

PLANNING PORTAL

Sponsorship Opportunities

Does your consultancy or practice invest resources into producing thought leadership content, opinion pieces, reports and industry commentary based on application trends?

- Put your brand at the forefront of planning data.
- Featured advert in each report, the front page is available to Founder Members.
- Guest contribution to the foreword, provide data summaries or a dedicated focussed analysis on a development type 'or sector'.
- Sponsored thought leaders section and included on Planning Portal website and social media.
- Your articles, reports, opinion pieces and research featured in each report.

Get in touch
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 residential development elements of the Outline application form and as a condensed report, have looked back at some of the aspects covered in the last four editions.

In future months, we plan to look in more detail at the Prior Approval forms and, with momentum now increasing with the government's Building Safety Programme, we will shortly look into those applications falling within the 'in scope' definition of the programme now that the Draft Building Safety Bill has been published.

Find out more

Through the report we have given an indication of the range and depth of planning data 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.

Register now for the Planning Portal Virtual Conference 2020

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 or to register,

visit

https://www.planningportal.co.uk/conference

Sponsored by: Objective TRAPEZE

Planning Portal

Virtual Conference 2020

16- 19 November

PLANNING PORTAL

CPD CERTIFIED
The CPD Certification Service

Planning Market Insight Report from the Planning Portal

August 2020 Summer Planning Market Insight Report:

COVID-19 and Outline Applications for Residential Schemes