

# Planning Market Insight Report from the Planning Portal



**December 2020**

Prior Approval: Office to Residential



# Welcome to our latest Planning Market Insight Report.

As 2020 draws to an end, I believe it will come as no surprise to anyone that the trends seen throughout the market this month are once again not what we would expect at this time of year. With a variety of lockdowns, tiered systems and firebreaks across England and Wales over the last six weeks to help curb the accelerating spread of COVID-19, you would not have been too amiss to predict similar patterns as those seen in March and April earlier this year. In fact, in keeping with 2020's bizarre trends, November was another bumper month for the submission of planning applications with 81 more submissions than October and only 18 fewer than July 2020, our highest ever month on record!

Last month we exclaimed at the 23% increase in the number of householder applications when compared to 2019, but these levels have been blown out of the water with the latest figures showing a huge 51% increase on November 2019.

While nowhere near householder levels, Full and Outline applications have increased by 4% this month in comparison to 2019. Latest figures from the ONS\* suggest that GDP remains at 8.2% lower than the levels seen in February 2020 with construction sitting at 7.3% lower over the same time period.



While these numbers may not be as positive as we may hope, the construction sector has made incremental increases since its major fall in April 2020. One contributor to this was new housing, with anecdotal evidence suggesting firms have managed to work at sufficient capacity, particularly on sites where work was in progress when the first lockdown hit.

With construction continuing to recover, and sustained increases in full planning application numbers, we can hope that it won't be much longer until we're back to the high levels of early 2020, however we do have to bear in mind the ongoing Brexit talks. Without knowing the outcomes of these discussions, it is very difficult to predict what may happen in 2021.

Unsurprisingly, the Planning Portal team have had another action-packed month. We hosted our first virtual conference on 16-19 November which was a huge success. We had an amazing turn out in terms of numbers of attendees with excellent keynote speakers and a wide range of topics covered. More information about this event can be found towards the end of this report.

Whatever happens over the coming months, we will still regularly share our insight and analysis with you. From the new year, it will only be possible to receive these free updates by subscribing to our mailing list and having them delivered straight to your inbox. [You can subscribe to receive the report here.](#)

\*ONS source:

<https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpmonthlyestimateuk/latest>



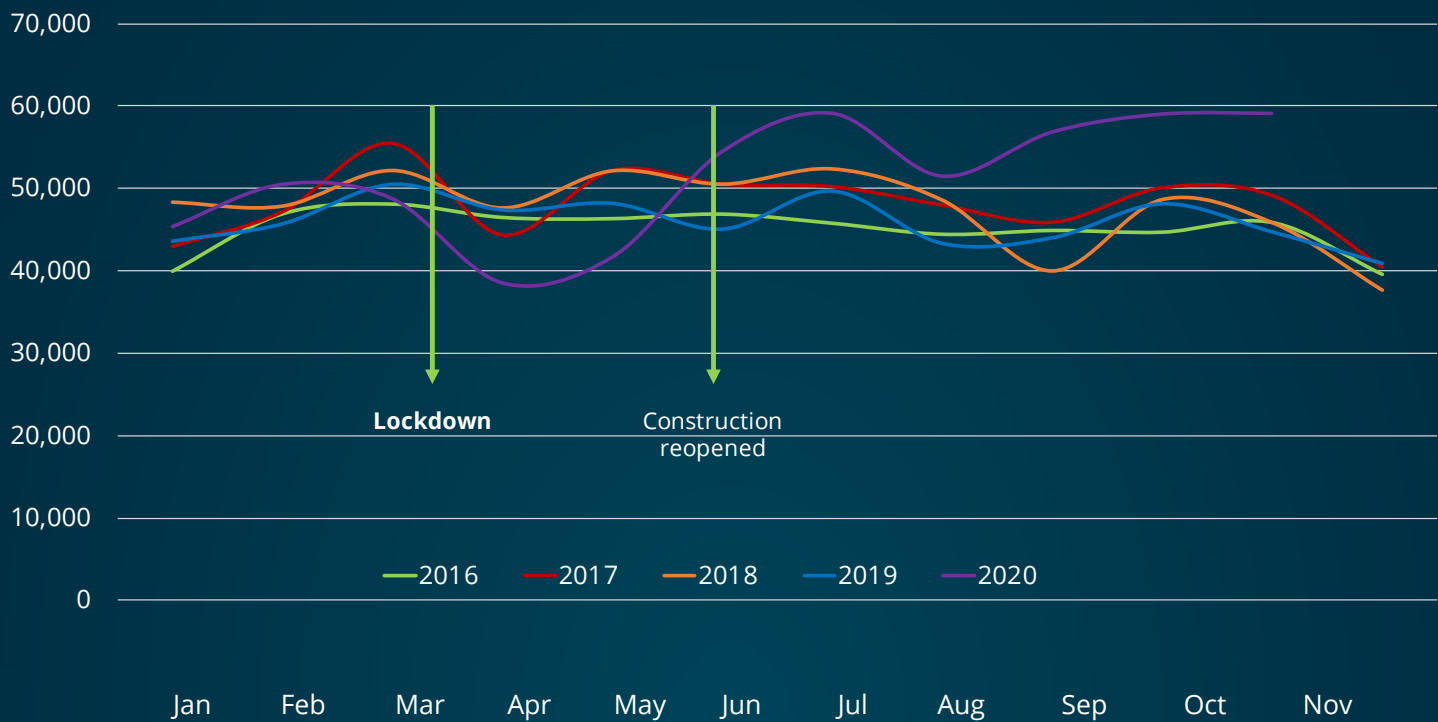
Sarah Chilcott

Managing Director - Planning Portal



# National graph over five years

## Application numbers in England and Wales



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 11 months of this year. Applications tend to have a reasonably standard seasonal pattern throughout the year and this graph illustrates any unusual trends.

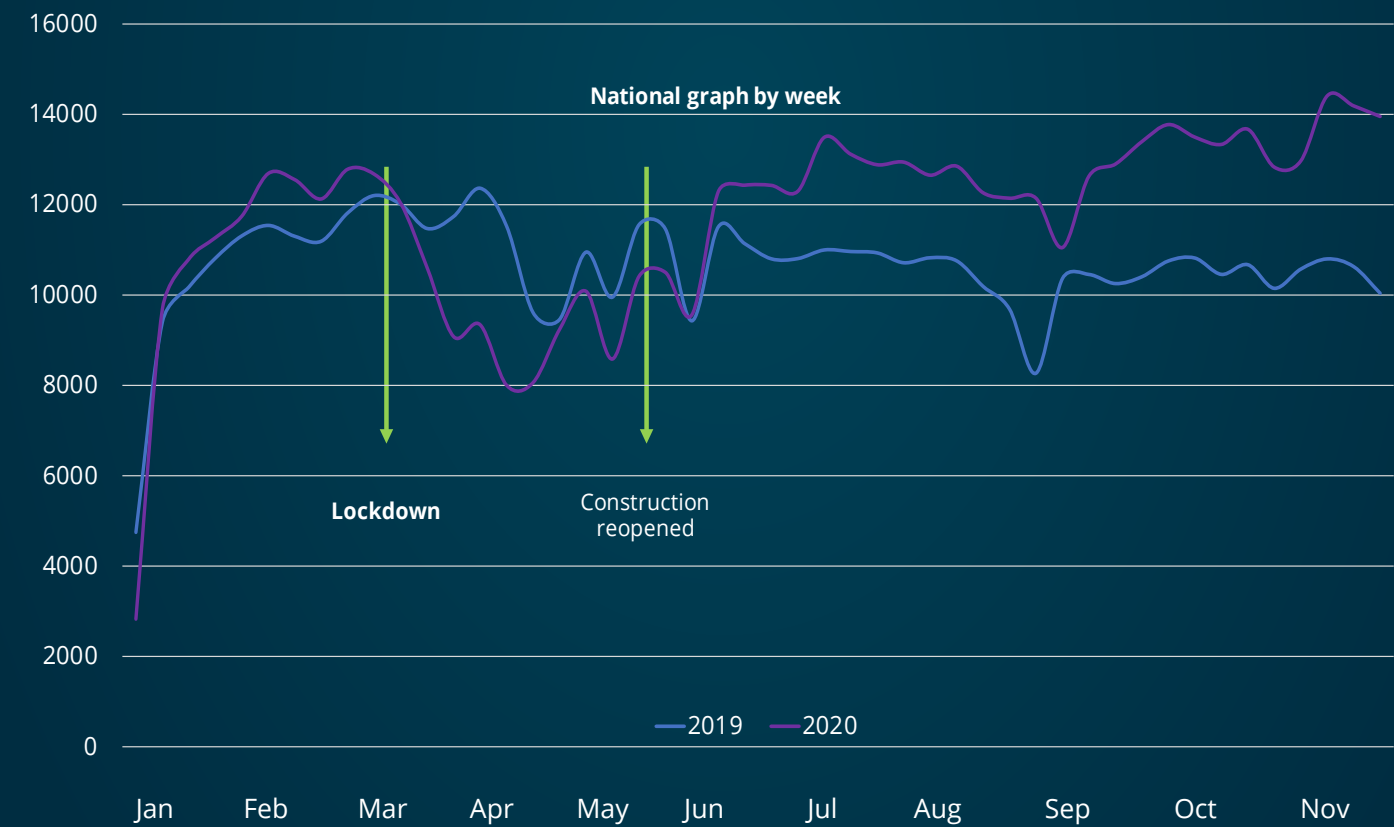
The trend line for 2020 clearly shows the difference we have seen in application submissions this year compared to previous years on both graphs and this year’s considerable increase from June onwards.

In November 59,044 planning applications were submitted through the Portal; an increase of 1% compared to the previous month’s total. This almost equalled July’s all-conquering total of 59,062 and when compared to November 2019’s total of 44,677, this was a huge increase of 32%.

The November figure beat last month by 81 submissions and stole the spot for second highest month ever, falling short of July’s all time high by just 18 applications.

December tends to always be the quietest month overall for submission due to the build up to Christmas and fewer working days, combined with a couple of public holidays. However, there is always a rush to get applications in before the Christmas period and we generally register a few days with very high submissions before the wind down for the festive period.

# National graph by week



# The regional view

The overall number of submissions has very slightly increased compared to October's figures by a marginal 81 applications. Throughout England and Wales the number of submissions in November have continued to surpass those seen in 2019.

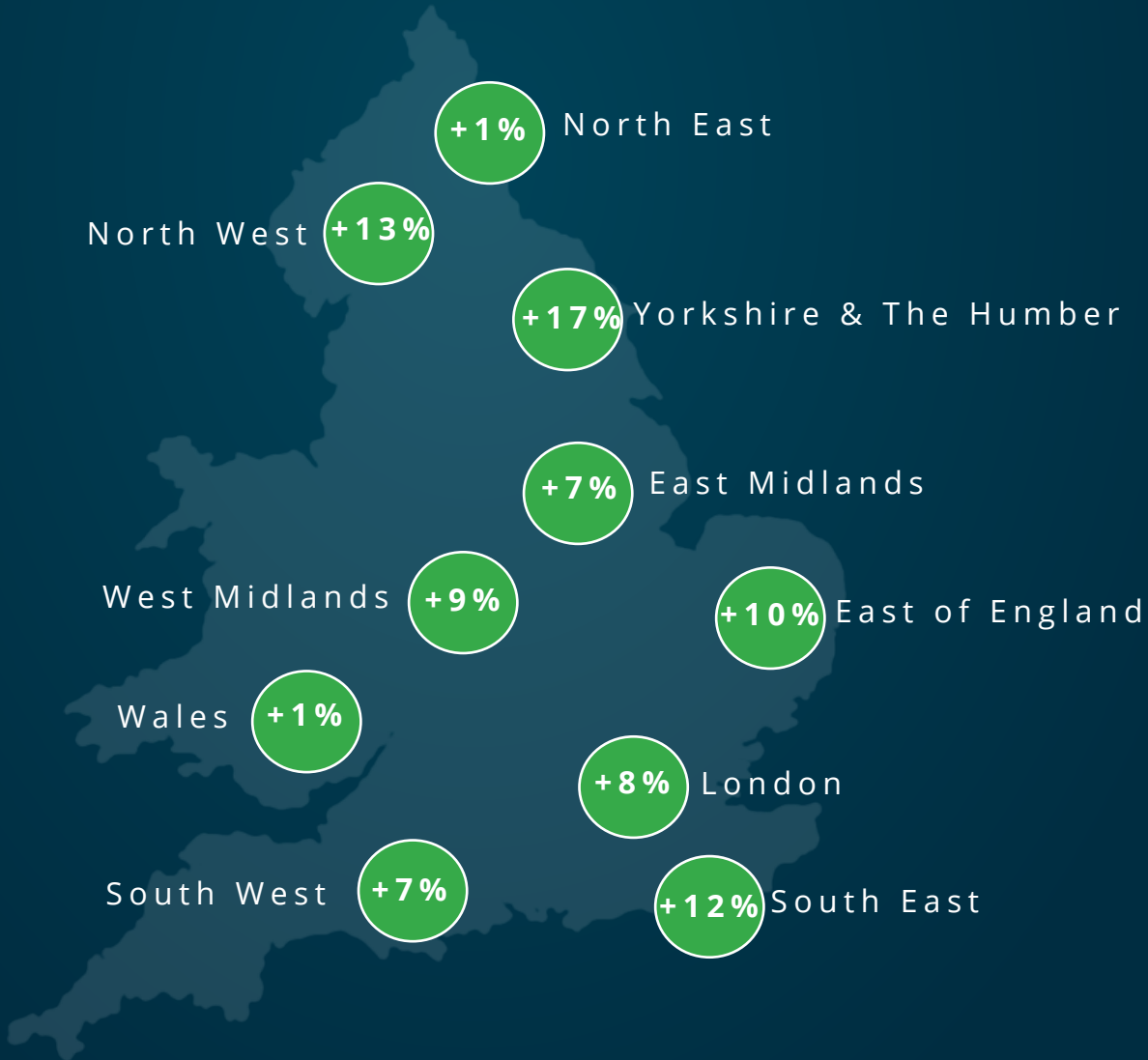
The greatest difference we have seen this month is in Yorkshire & the Humber where application submissions are up 40% against November 2019 and 17% against October 2020.

Last month, the North East showed a whopping 43% increase on the numbers seen in 2019's figures and this month these rates have held strong with a 1% increase from last month, totalling a 44% increase on November 2019. Both the East and West Midlands are showing consistently high levels with the market moving in the right direction, making a quick recovery after the vast downturn in numbers seen throughout March and April.

Taking this opportunity to review the year, every confidence can be given that planning and development is on the increase. Despite the challenges faced by all, especially throughout the spring where we saw significant reductions, numbers of submissions have not only recovered, but surpassed last year's figures consistently – highlighting the resilience and the needs of the market.

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

## Regional percentage change



The map shows the percentage change in applications by region from October to November 2020.

# Local Planning Authorities

This month we look at the North West, which is one of the regions continuing to perform well against last year with November realising a 37% increase. When looking across the counties of the authorities receiving the most applications, two of the Cheshire authorities are first and third receiving nearly 800 applications in November between them. When compared to 2019's total of 586 it is an additional 210 applications!

Two of England's core cities are in the North West, namely Manchester and Liverpool. Surprisingly, Manchester was below 2019's total in October by 7% but bounced back in November, surpassing last year's totals by 20%. Liverpool has continued to fair well showing increases of 31% and 23% in the last two months. In neighbouring Merseyside, Wirral Council have received huge increases in the last two months, up 51% and 81% respectively.

Across the top ten authorities in the North West, all received higher volumes of applications than last year in November, but the picture varied from 15% higher (Bolton) to a whopping 81% higher (Wirral).

LPA	Oct-19	Oct-20	% (+/-)	Nov-19	Nov-20	% (+/-)
Cheshire East Council	404	432	7%	362	463	28%
Manchester City Council	354	329	-7%	292	351	20%
Cheshire West and Chester Council	250	369	48%	224	333	49%
Stockport Metropolitan Borough Council	227	256	13%	225	315	40%
Trafford Metropolitan Borough Council	198	284	43%	195	287	47%
Liverpool City Council	214	281	31%	190	234	23%
Wirral Metropolitan Borough Council	148	224	51%	127	230	81%
Salford City Council	124	200	61%	121	203	68%
Bolton Metropolitan Borough Council	192	208	8%	168	194	15%
Sefton Council	125	161	29%	105	159	51%

Looking at the other end of the scale where submission numbers are low, it is a slightly different story. Last month South Lakeland District Council saw a 41% increase on October 2019's numbers. This month it has continued to surpass 2019, but only by 1%. Hyndburn Borough Council has recovered on last month's numbers (-11%) to reach a 14% increase on November 2019. While with slightly reduced numbers, it is a similar story in Fylde Borough Council, moving from a 4% decrease last month to a 6% increase throughout November. The same cannot be said for Carlisle City Council and Allerdale Borough Council who have both experienced two consecutive months of reduced submission levels compared to 2019.

LPA	Oct-19	Oct-20	% (+/-)	Nov-19	Nov-20	% (+/-)
Hyndburn Borough Council	35	31	-11%	22	25	14%
Fylde Borough Council	67	64	-4%	65	69	5%
South Lakeland District Council	74	104	41%	83	84	1%
Carlisle City Council	52	38	-27%	47	46	-2%
Allerdale Borough Council	49	45	-8%	41	35	-15%



# Applications by type

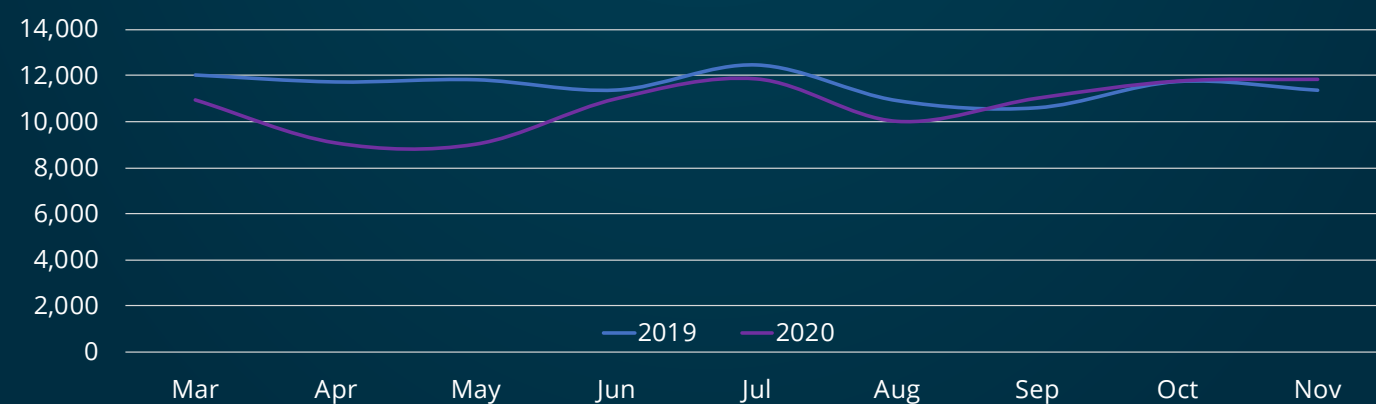
With restrictions still in place across the country for people wishing to return to the office, it is no surprise that for the seventh consecutive month Householder and associated consents are showing increases on 2019, sitting at 51% throughout November. Traditionally at this time of year we would be seeing an overall reduction in the number of applications submitted during the wind down to Christmas. A 51% increase not only bucks this trend but far surpasses anything we would have expected. Alongside this, Lawful Development Certificates (LDCs) have seen a sustained increase against 2019 at 44% which clearly mirrors the nature of the market, supporting those looking to develop extensions and further amendments to individual private properties.

For only the second time since March, Full Planning and associated consents are being submitted at a higher rate than 2019. This increase is similarly reflected in the number of Outline applications submitted, sitting at a 4% increase on 2019, whereas last month our numbers showed a 5% decrease. This could signify the world returning to some normality, with larger developments being considered as a possibility once more. This is also in line with the increase in the GDP as mentioned in the foreword to this report.

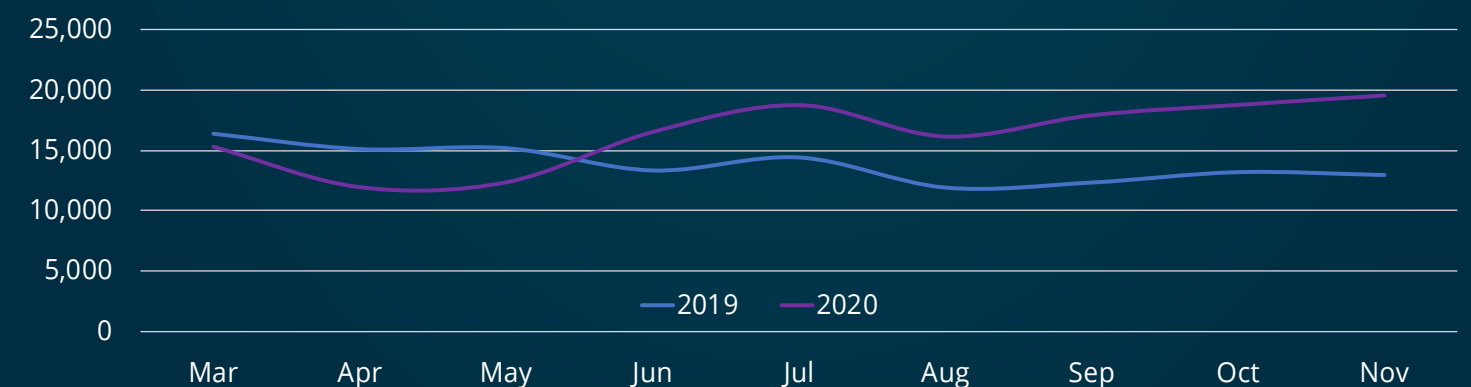
As has been consistent since March, the number of Advertising Applications is still fewer than in 2019, with no imminent sign of change. With reduced movement throughout the country and the majority of people spending their time online, advertising budgets are being spent elsewhere to help maximise their return on investment.

Application Type	Mar +/-	Apr +/-	May +/-	Jun +/-	Jul +/-	Aug +/-	Sep +/-	Oct +/-	Nov +/-
Householder and associated consents	-6%	-21%	-19%	+24%	+30%	+36%	+46%	+43%	+51%
Full Planning and associated consents	-9%	-23%	-24%	-4%	-4%	-8%	+4%	0%	+4%
Outline applications	-9%	-10%	-21%	-12%	-8%	-18%	+7%	-5%	+4%
Advertising applications	-26%	-61%	-62%	-60%	-44%	-40%	-24%	-36%	-35%
Prior Approval: Development by Telecomms Operators	+560%	+939%	+104%	+1837%	+1456%	+851%	+300%	+151%	+296%
Tree works: Trees in conservation areas/subject to TPOs	-10%	-19%	+31%	+91%	+59%	+51%	+49%	+43%	+55%
Lawful Development Certificate	-6%	-20%	-17%	+14%	+17%	+32%	+38%	+32%	+44%

## Full Planning Applications and associated consents



## Householder Applications and associated consents



# Prior Approval applications – Office to Residential

In England, apart from a few areas of exemption, it has been possible since May 2013 to convert a building from an office to residential use without needing planning permission (which would have been required for the same change of use since 1948).

This was a policy decision taken by central government, primarily to boost the supply of housing. Then Secretary of State Eric Pickles announced that “the changes would encourage developers to bring underused offices back into effective use as houses for local residents... They will provide badly needed homes... they will also help create jobs in the construction and service industries, and help regenerate our town centres” (UK Parliament, 2013: online).

This new policy was introduced on 1 May 2013, with a provision it would only apply for three years and be reviewed as that deadline approached. Further changes to secondary legislation (the General Permitted Development Order; GDPO) followed, including establishing a system of ‘prior approval’ whereby Local Planning Authorities (LPAs) are required to assess certain issues such as highways impacts, contamination and flooding risks within a limited 56-day consideration period. In October 2015, it was announced that Permitted Development Rights (PDR) for office-to-residential conversion would be made permanent rather than expiring in April 2016.

Providing housing remains a key ambition of the Government, but the office to residential prior approval has long been a controversial application type amongst many. One of the main concerns about these proposals is the room sizes of the accommodation for a comfortable living space. The form was added to the suite of online applications in December 2019 and we thought it would be interesting to explore where these applications are being submitted, in what number and potentially the number of new units being proposed.

## Prior Approval – Office to Residential, number of submissions in 2020 by Region

All regions	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Grand Total
North East	0	5	0	2	3	2	4	5	1	5	1	28
North West	10	7	14	7	8	10	14	14	25	14	30	153
Yorkshire and The Humber	9	12	6	7	11	4	15	15	12	16	9	116
East Midlands	8	10	4	5	9	9	16	7	9	13	13	103
West Midlands	8	14	15	4	9	8	12	10	10	15	18	123
East of England	19	17	14	14	10	13	44	14	31	30	17	223
London	18	30	44	35	28	38	56	28	29	43	47	396
South East	38	24	33	35	30	36	54	36	46	57	47	436
South West	11	9	7	15	8	12	30	12	9	21	12	146
Grand Total	121	128	137	124	116	132	245	141	172	214	194	1724

Unsurprisingly just shy of 50% (832 ‘applications’) are submitted in London and the South East, with the rest scattered across the regions. The lowest by some margin are in the North East, which could potentially reflect the lower demand for housing need due to available housing stock.

The months of April and May show the lowest number of submissions, apart from January, which is to be expected although from June onwards there is clearly an increase in the number of submissions. Could this reflect the change in home working brought about by the pandemic that has reduced the need for some businesses to have an office location, or encouraged them to downsize and hot desk? Or is it just a reflection of the overall upturn in application numbers?



# Prior Approval – Office to Residential

The form asks the question ‘What will be the net increase in dwellinghouses?’ and we have analysed the data provided at submission.

## Number of Dwellinghouses (Units) applied for in 2020

No. of Dwellinghouses (Units)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Grand Total
1	33	30	35	37	33	47	55	40	46	84	48	<b>488</b>
2	18	9	22	14	13	8	21	23	34	25	32	<b>219</b>
3	10	7	11	5	7	6	18	6	11	10	14	<b>105</b>
4 - 5	14	18	17	10	16	15	28	16	23	13	22	<b>192</b>
6 - 10	24	22	17	17	13	20	37	17	15	33	33	<b>248</b>
11 - 25	12	20	21	21	15	19	40	21	23	23	21	<b>236</b>
26 - 50	4	9	7	10	13	13	19	6	11	12	11	<b>115</b>
50+	6	13	7	10	6	4	27	12	9	14	13	<b>121</b>
<b>Grand Total</b>	<b>121</b>	<b>128</b>	<b>137</b>	<b>124</b>	<b>116</b>	<b>132</b>	<b>245</b>	<b>141</b>	<b>172</b>	<b>214</b>	<b>194</b>	<b>1724</b>

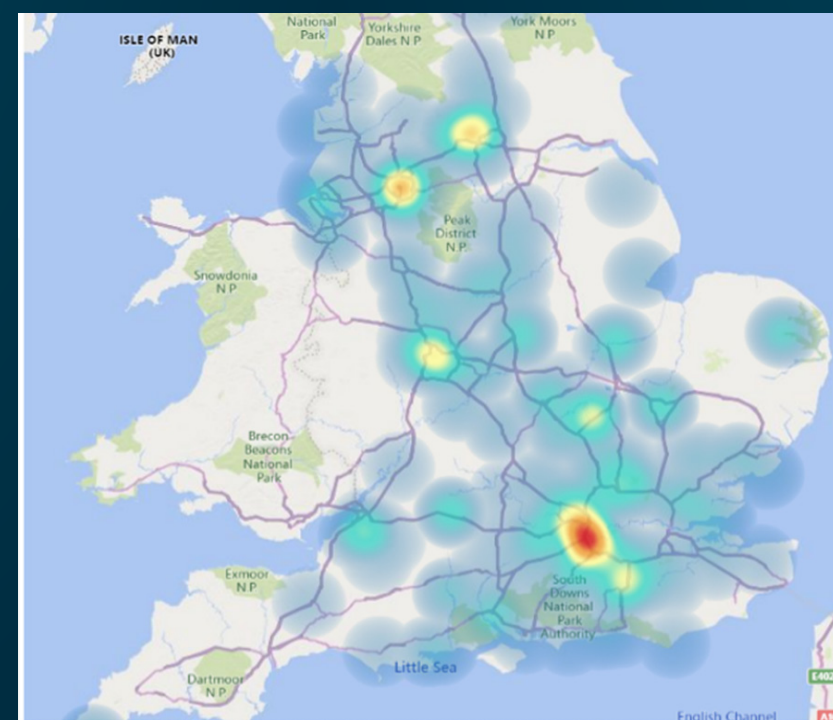
## Prior Approval – Office to Residential submissions in 2020 of 11+ Dwellinghouses

An initial perception could be that these types of prior approval are only for larger office conversions to create many dwellings. However, 812 submissions were to create one to three dwellings.

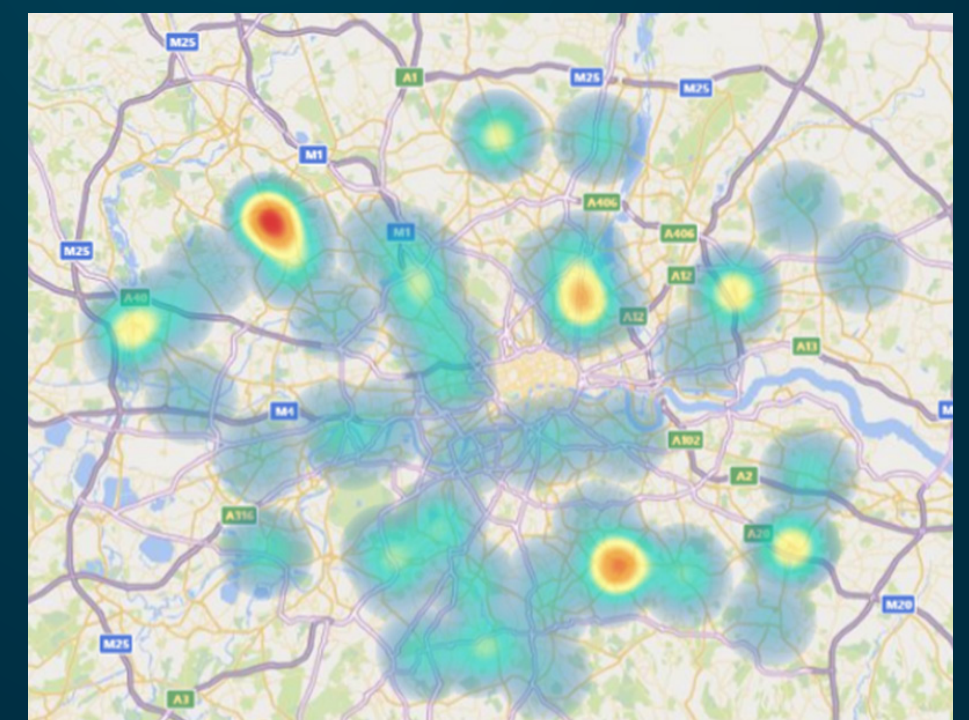
When thinking about major applications, 472 submissions were for 11+ dwellings and of this 121 were for 50+ dwellings that would likely be large offices potentially in central locations.

To understand the locations of these larger submissions we have created the heat maps below to provide a rough indication.

National applications exc. London



London applications only





# Planning application fees

November has shown a positive sign for application fee income with further percentage step increases to build upon September and October. This upward trend will be welcomed by local authorities and correlates with the positive increase in Full Planning and Outline application submissions when measured against 2019.

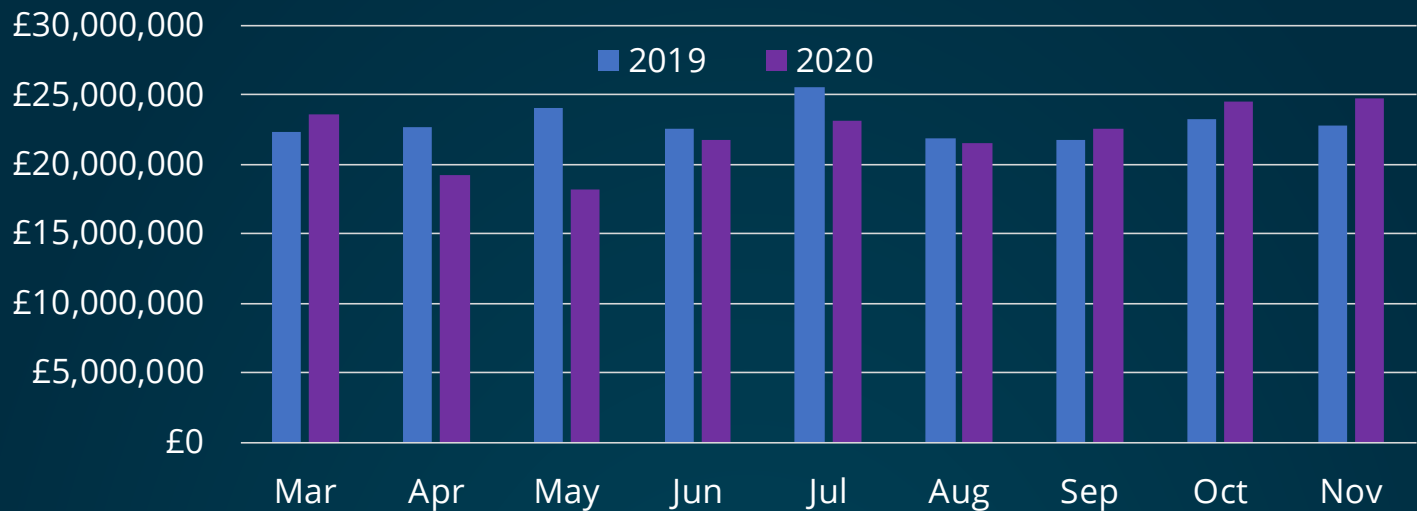
It is these larger schemes that cross-subsidise the smaller, high volume applications and therefore are a key income stream to sustain local authority planning departments.

At the beginning of the month, the stark reality of council finances made headline news as Croydon Council declared itself bankrupt in a £1.5bn debt crisis, effectively issuing a Section 114 notice due to its “severe and ongoing” financial difficulties. Whilst bankruptcy came suddenly, the financial crisis of the council dates back many years. Part of this was due to the ambitious plans of Croydon to become a major housing developer providing properly designed, affordable homes for local people.

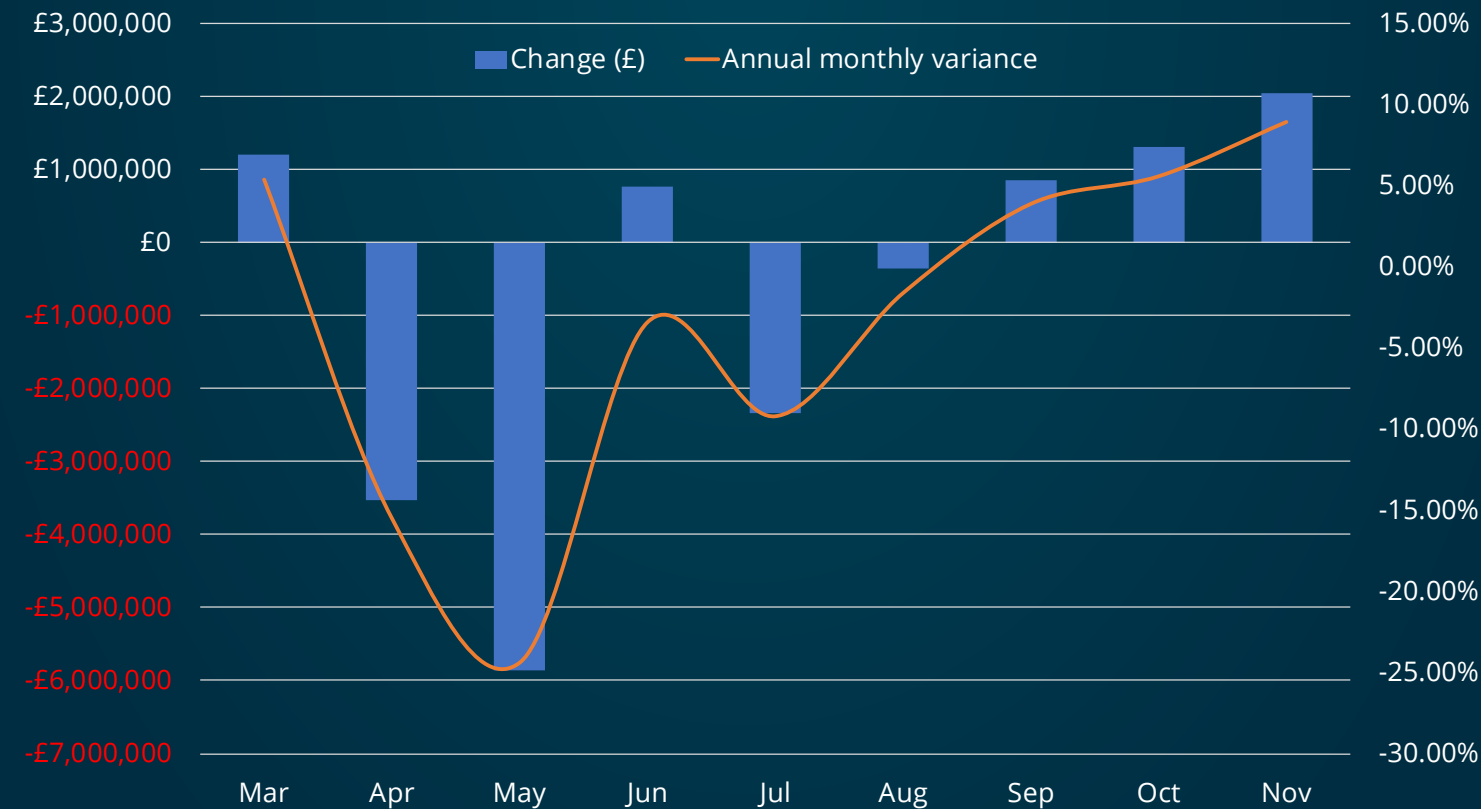
There will no doubt be further updates on council finances as the true costs of the pandemic are felt across all frontline council services with further thought needed on the potential implications of Brexit trade negotiations. This could lead to more Local Government Reviews and the merging of authorities across the country.

What is interesting to note is that December 2019 was the highest month for fee income. This could be attributed to Brexit, as last year we saw nervousness, especially on bigger schemes in the run up to the election, and a massive release of applications once the Conservative Government was returned and the ‘no deal’ option was removed. Alternatively, is this due to major schemes being submitted to hit end of year deadlines? This is something to be explored in more detail.

Planning fee income for online applications



Planning fee income for online applications





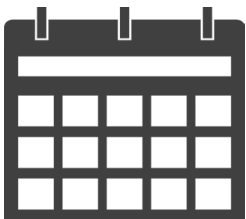
# Planning Portal: Past, present and future

Compounded by the COVID-19 pandemic and accelerated by the release of the white paper, planning is at a crossroads. The industry has been transformed in the last 20 years from a paper-based to a digital process and is now ready for the world of #plantech. Planning Portal has led the way for 20 years and now we're ready for the next chapter – a simpler, more joined-up process for all.

If you are involved in the planning and construction process in England and Wales, this is a must-attend half hour a month, just follow the link in the button below to register. In case you missed it, see a 'show and tell' of the new Application overview and management sections here: [Watch the webinar.](#)

Register for the webinar series

Tuesday 12 January 2021	12:00 - 12:30pm
Tuesday 9 February 2021	12:00 - 12:30pm
Tuesday 9 March 2021	12:00 - 12:30pm
Tuesday 13 April 2021	12:00 - 12:30pm



Webinar

## Planning Portal: Past, present and future

Join us as we embark on a series of online events designed to show you the future of planning and showcase the future Planning Portal service.

Tuesday 12 January, 12:00 - 12:30pm  
Application forms design and features



# VIRTUAL CONFERENCE 2020

Round-up



Collaboration, digitisation, and engagement. These were the themes that arose time and again throughout all four days of the Planning Portal's Virtual Conference held on 16 – 19 November 2020.

Following the trend of 2020, this year's conference was held virtually, with speakers, panellists and Q & A sessions held online, offering insight and the latest updates across the planning and building process. Including the latest Government white paper, developments in policy including biodiversity net gain and building standards, and advancements in technology both for development management and throughout the planning process, the week was jam packed with information and insight.

The event was a roaring success with around 500 delegates tuning in at any one time. Keynote speakers included Joanna Averley, Chief Planner at MHCLG, Victoria Hills, Chief Executive Officer at the RTPi, Rachel Fisher, Deputy Director for Land Use Policy at DEFRA and organisations such as Objective Trapeze, ESRI UK and Savills.

The dates are already in the diary for next year's event – please keep an eye out to book your slot!

If you would like more information about the event, or to understand the topics discussed in greater detail, please email [conference@planningportal.co.uk](mailto:conference@planningportal.co.uk).



# How can we help you?

The Planning Market Insight Report provides you with a unique insight of the latest trends throughout the planning market on a national, regional, and local basis. We aim to keep it relevant and as interesting as possible so we welcome your suggestions on content and features you would like to see.

If there are any topics or areas you would like us to cover, please do not hesitate to contact us at [communications@planningportal.co.uk](mailto:communications@planningportal.co.uk).

## In next month's edition What happened in 2020? The year in numbers

It has been one of, if not the, most unusual year in planning and building history! Planning submissions usually follow a general annual trend but not 2020 – the year of the COVID-19 pandemic. Next month we will be reviewing the year as a whole and trying to understand the full impact that COVID-19 has had on planning application submissions and the development market.

To subscribe to receive the report, straight to your inbox each month, complete our online form by using the link below.

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