Planning Market Insight Report from the Planning Portal

November 2020: Planning Market Insight Report

PLANNING PORTAL

TerraQuest DATA SOLUTIONS

Welcome to our latest Planning Market Insight Report.

This year has thrown many twists and turns our way, forcing everyone to reconsider everything we thought we knew. The impact on planning and construction has been significant. Over the last five years, the rates of planning applications have followed a well-trodden path with peak numbers in spring tailing off towards the Christmas break. But the pattern in 2020 has been very different.

With rates of submission hitting an all-time low through April and an all-time high throughout quarter three, how is 2020 going to end? The deficit in applications throughout lockdown has more than been recovered through the summer months with around 60,000 applications at its peak in July and high numbers continuing since. Indeed, October saw 59,062 planning applications submitted – another record-breaking month and only 99 lower than July 2020, the highest tally recorded since our records began in 2005. In keeping with the pattern of recent months, it is Householder applications which are leading the charge, but overall numbers are up 23% on last October's total.

As well as our regular dive into application data by region and by application type, this month we will also be taking a closer look at who is submitting applications, which shows an interesting change to previous years.

As we enter November and lockdown restrictions across England and Wales tighten, it will be interesting to see how the remaining months of the year play out. For us, work looks set to be busier than ever as we gear up for an extensive plan of service improvements next year. In the short-term, we will host our second annual conference this month – virtually of course – with an ambitious programme and more than 40 speakers over four days. You can find out more on page 19 of this report.

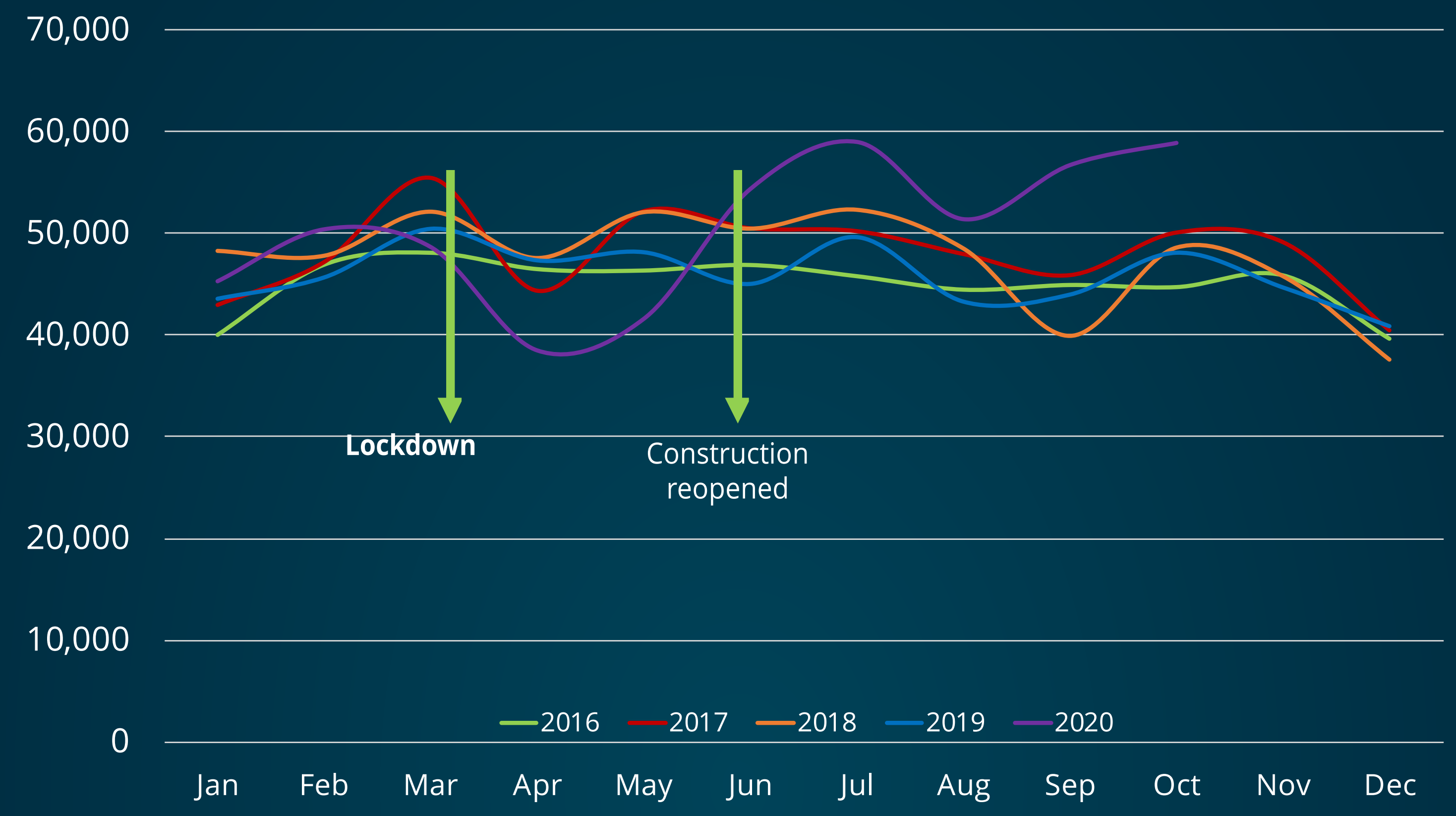
Finally, whatever happens over the coming months, you can be sure to find out about it here first. Just activate your free subscription to make sure you keep receiving the report straight to your inbox.

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 ten 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.

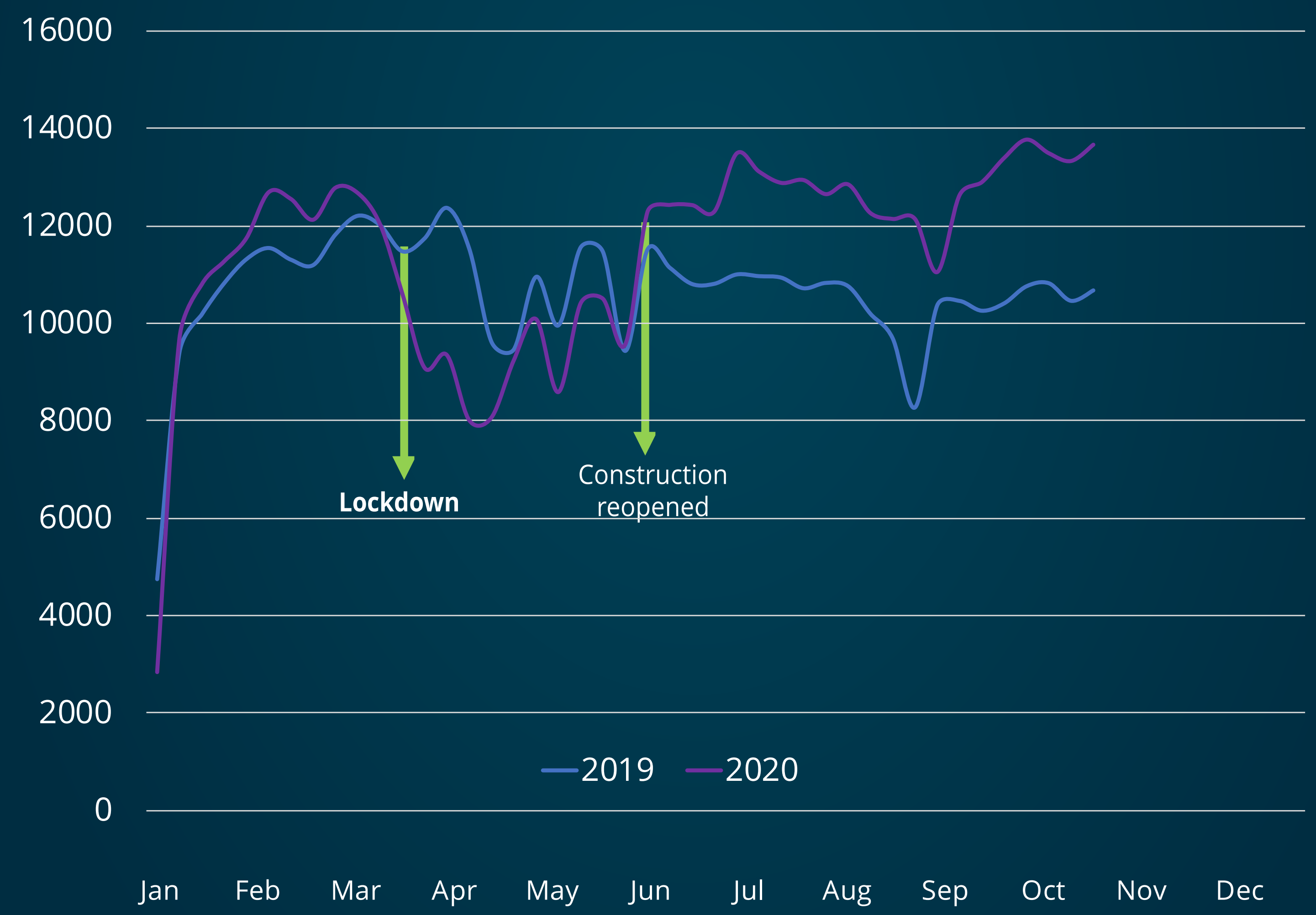
In October, 58,963 planning applications were submitted through the Portal, an increase of 23% compared to October 2019's total of 48,113. This continues the trend of high submission volumes which we've seen since June 2020, with volumes up 21%, 19%, 19% and 29% for June, July, August and September respectively.

Indeed, the October figure makes it the second highest month ever for planning application submissions, just 99 applications lower than July 2020's all-time high of 59,062.

We reported in September that the deficit in applications seen in March, April and May had been recovered and in fact, even though the year started strongly following the election and clarity over Brexit, by the end of October applications overall had caught up with 2019 volumes and were 9% higher than at the same point last year.

Volumes usually begin to tail off in November in advance of the wind down for Christmas, but given the unusual pattern to 2020, this is by no means certain this year.

National graph by week



The regional view

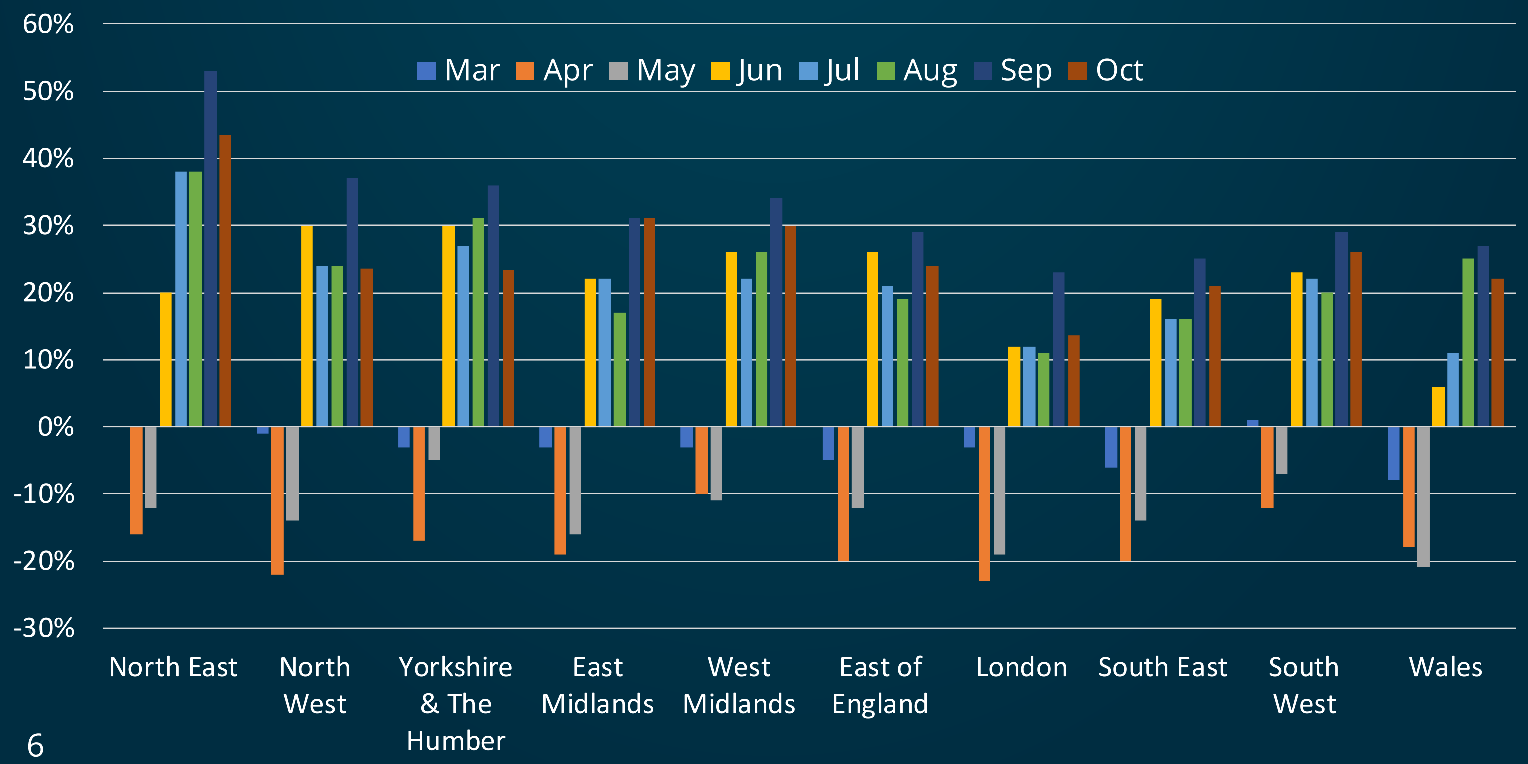
Applications continued to outperform 2019 levels in all regions of England and in Wales last month. As with previous months, volumes in the North East remained strongest, up 43% on 2019.

However, across the other regions the picture was more mixed. In the North West and Yorkshire and the Humber where volumes were notably higher over the last few months, the rate has slowed back to being more commensurate with the national average of 23% higher than October 2019, at 24% and 23% for the North West and Yorkshire and the Humber respectively. Volumes however remain high, as this year we have seen applications start to slow in October as we'd typically expect.

The East and West Midlands continue their recent pattern, both outperforming the national average and more than 30% higher than last year's numbers.

London also moved back closer to 2019 figures than across England and Wales as a whole. The volumes there are still above 2019 levels, but only by 14% against the national average of 23%. It is worth reiterating that London and the South East constitute by far the highest number of applications submitted nationally, both around 10,000 – 11,000 each month so even a small percentage change here can have a larger impact overall.

Regional percentage change



Percentage change in applications

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

Local Planning Authorities

This month we look at the Midlands, as this is one of the regions continuing to perform particularly strongly against last year. However, looking at the largest authorities across the East and West Midlands, the picture is mixed. Unsurprisingly, Birmingham City Council receives by far the highest number of planning applications each month, around double that of its closest council, the unitary of Shropshire. In October 2020, Birmingham received around 18% more applications than in the same month last year. This is slightly lower than the national average of 23%, though not statistically significant.

Across the remaining top ten authorities in the Midlands, all received higher volumes of applications than last year, but the picture varied from only 5% higher (Warwick) to a huge 63% higher (Shropshire).

Excluding county councils, all Midlands authorities were ahead of last year, except Erewash (down 18%), Stoke-on-Trent (down 4%) and Staffordshire Moorlands (same as last year).

LPA	Sep-19	Sep-20	% (+/-)	Oct-19	Oct-20	% (+/-)
Birmingham City Council	423	622	47%	541	636	18%
Shropshire Council	212	329	55%	237	387	63%
Herefordshire Council	200	289	45%	218	293	34%
Stratford on Avon District Council	226	262	16%	221	266	20%
Leicester City Council	194	256	32%	184	234	27%
Coventry City Council	145	173	19%	168	199	18%
Solihull MBC	131	161	23%	133	194	46%
Nottingham City Council	156	161	3%	144	178	24%
Warwick District Council	130	131	1%	167	176	5%
Rushcliffe Borough Council	94	155	65%	120	172	43%

Excluding county councils, all Midlands authorities were ahead of last year, except Erewash (down 18%), Stoke-on-Trent (down 4%) and Staffordshire Moorlands (same as last year).

LPA	Sep-19	Sep-20	% (+/-)	Oct-19	Oct-20	% (+/-)
Erewash Borough Council	57	64	12%	62	51	-18%
Stoke-on-Trent City Council	76	91	20%	93	89	-4%
Staffordshire Moorlands DC	9	6	-33%	5	5	0%

Applications by type

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.

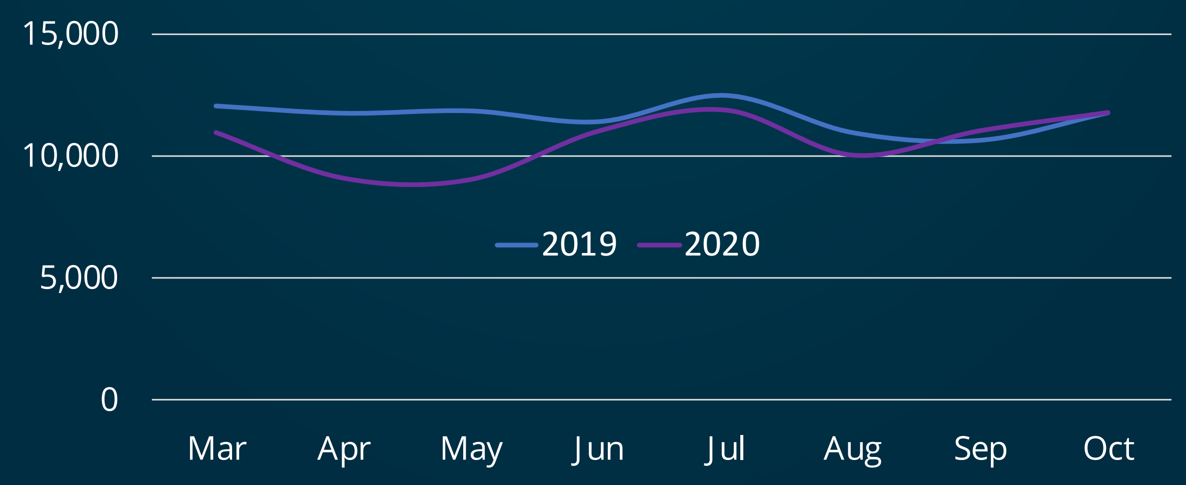
Householder and associated consents have risen strongly since June and this trend continues in October, with applications still 43% higher this month than in 2019. Volumes of Lawful Development Certificates (LDCs) also remain high. As LDCs are often related to works on individual domestic properties, it is unsurprising that we see a similar pattern here to Householder applications and this further reinforces the buoyancy of the current homeowner renovation/extension market.

Disappointingly, Full Planning and associated consents which rose above 2019 levels for the first time since February last month, dropped very slightly to remain on par with October 2019. Outline consents, which provide a longer-term indication of schemes, particularly larger ones, also dropped back slightly; down 5% on October 2019 volumes. This serves to reinforce the instability in this sector of the market, where applications are fewer, take longer to get to submission stage, but also require confidence by investors to commit to what can be a lengthy planning process.

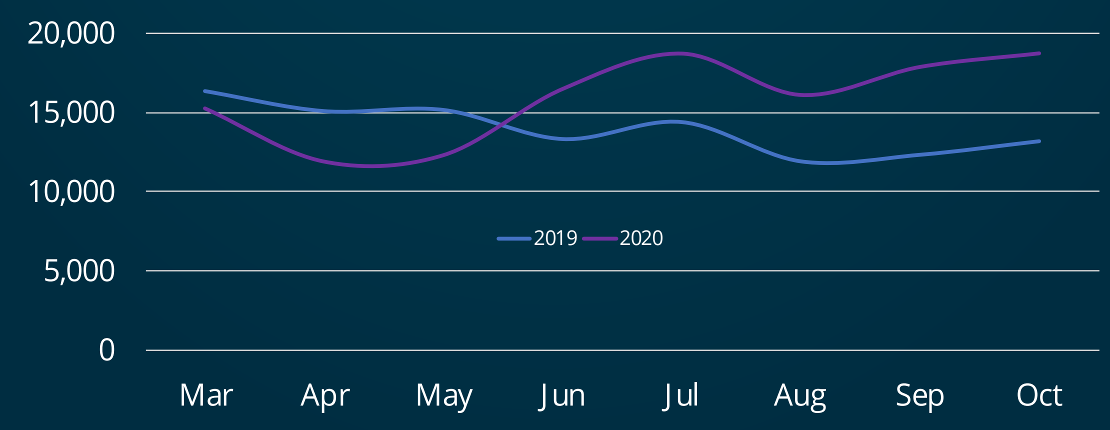
Volumes across the other application types remain fairly consistent, though we can see that the number of prior approvals for development by telecoms operators has fallen away as geographic roll-out of specific projects comes to an end. Remarkably, works to trees, usually the most seasonal of all applications, remains consistently high.

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

Full Planning Applications and associated consents



Householder Applications and associated consents



Who is submitting applications? Applicant vs agent breakdown

It has been a long-standing government ambition to simplify the planning process, especially that of making planning applications. Over the last two decades, standardisation of application forms and the submission process using the Planning Portal has helped to achieve this by providing and maintaining a single, consistent standard across authorities in England and Wales. Today, the Planning Portal facilitates around 90% of all application submissions.

So who is submitting these applications? With this question in mind, we have analysed application types, whether applications have been submitted by an applicant or agent and compared our data for 2019 vs 2020 to see if there has been any shift during this period.

Applicant vs agent submissions - Top 10 most popular application types

Application Type		2019	2020	2019	2020
		% by Applicant		% by Agent	
1	Householder & assoc. consents	21%	26%	79%	74%
2	Full Planning & assoc. consents	21%	20%	79%	80%
3	Tree works: Trees in a conservation area/subject to TPOs	32%	35%	68%	65%
4	Approval of details reserved by a condition	20%	21%	80%	79%
5	Lawful development: proposed use	21%	23%	79%	77%
6	Non-material Amendment	23%	25%	77%	75%
7	Removal/Variation of a condition	17%	20%	83%	80%
8	Prior Approval: Larger Home Extension	N/A	27%	N/A	73%
9	Listed building consent	36%	39%	64%	61%
10	Consent to display an advertisement	33%	31%	67%	69%
Overall % totals for all application types		23%	25%	77%	75%

The two main application types, Householder and Full Planning and associated consents, account for nearly 60% of submissions nationally. In 2019 the data shows that one in five of these applications were submitted by an applicant, therefore not using a professional agent to submit it (that's not to say they didn't get professional plans drawn for their application).

When comparing this to 2020, we can see that Full Planning has remained around the same. However, there has been quite a change in Householder submissions with a shift of 5% towards applicant submissions. Now one in four or a quarter of all submission are by applicants!

There is a close correlation between Householder applications and the Prior Approval for Larger Home (single-storey rear) Extensions. This application type was not available online until November 2019 and the 2020 data shows that 27% of these applications are submitted by applicants. This is a simpler form to complete and only requires a block/ site plan indicating the site and showing the proposed development, therefore lending itself more towards a homeowner submission.

Applicant vs agent submissions by region

Taking a closer look at submissions regionally, we have analysed the data to see if there are variances across England and Wales. The table shows that the most popular area for applicant submissions is the North East with 30% in 2020, followed closely by Wales, East Midlands, North West and South West. All areas show increased applicant submissions when comparing 2019 to 2020.

London is the busiest region for submissions but has the lowest percentage of applicant submissions at one in five, which is below the national trend by a significant margin.

Region	2019	2020	2019	2020
	% by applicant		% by agent	
North East	28%	30%	72%	70%
North West	25%	27%	75%	73%
Yorkshire and The Humber	24%	26%	76%	74%
East Midlands	25%	28%	75%	72%
West Midlands	24%	26%	76%	74%
East of England	23%	25%	77%	75%
London	18%	19%	82%	81%
South East	23%	25%	77%	75%
South West	26%	27%	74%	73%
Wales	24%	28%	76%	72%

Who are the largest submitting companies via the Planning Portal?

Each year the Planning Portal facilitates over half a million planning application submissions. As presented earlier in the report, these are submitted by a range of individual applicants to global planning consultancies and architectural practices.

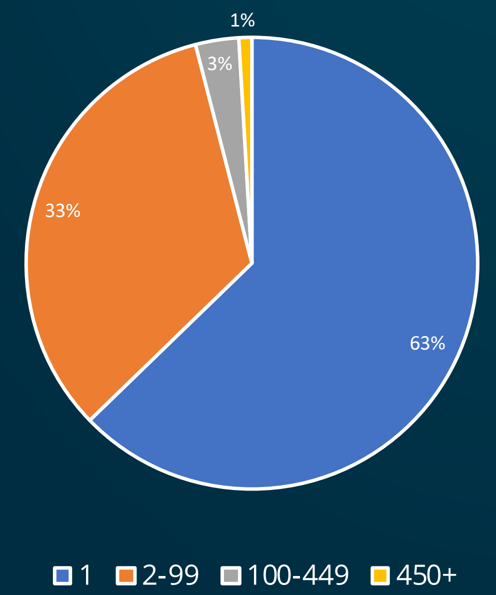
In order to submit a planning application on the Planning Portal you need to register an account. We have analysed these accounts to see how many 'free' email accounts there are registered i.e. hotmail, gmail accounts, and the number of applications they submit, we have also carried out a similar exercise for company domain accounts, for example savills.com.

Registered user accounts in 2020

The data shows nearly 110K registered accounts have been used to submit applications in 2020, this represents the scale of transactional customers using the Planning Portal service. Of these, nearly 42,500 have registered a business domain account whilst there are more than 65,500 who have registered with a 'free' email account address. These are a mix of homeowners, business owners and smaller agents.

The data interestingly shows that accounts with a business domain submit 62% of all applications and surprisingly free email accounts at 38%. Of the business domain accounts, 408 companies submit over 100 each year and of that 23 submit more than 450 applications.

Volume of applications submitted by Accounts (Jan-Oct 2020)



2020 (Jan-Oct)		
Category	Accounts	Applications
Business Accounts	42,444	318,772
Free email accounts	65,566	194,276
Total	108,010	513,048

Planning application 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.

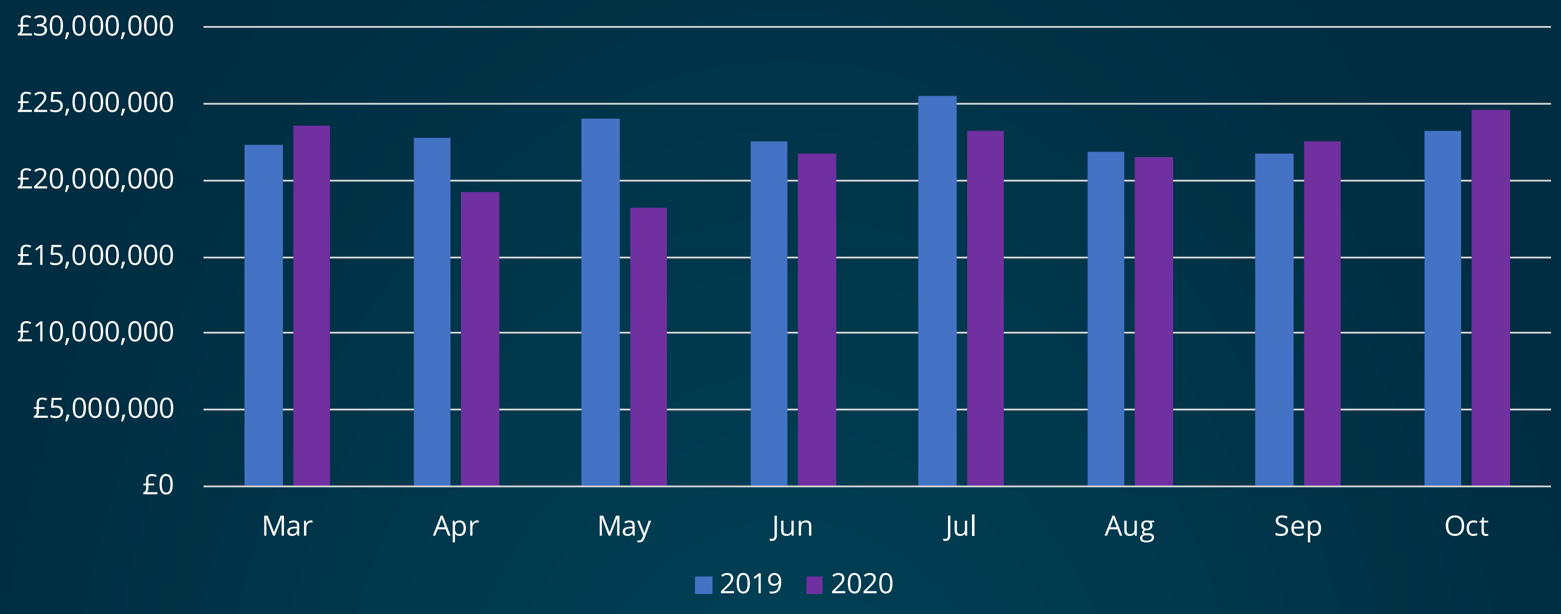
The fees table shows that whilst March 2020 saw an increase in fees of 5.4% on March 2019, April and May were hit hard with a combined loss of £9.3M of planning fee income in England.

Although submissions have risen significantly since the end of May, fee income has not. Overall, between the start of March and the end of October 2020, the Planning Portal collected around £174.5m in planning fees on behalf of authorities in England. By way of context, this is around £9.5m lower than in the same period last year.

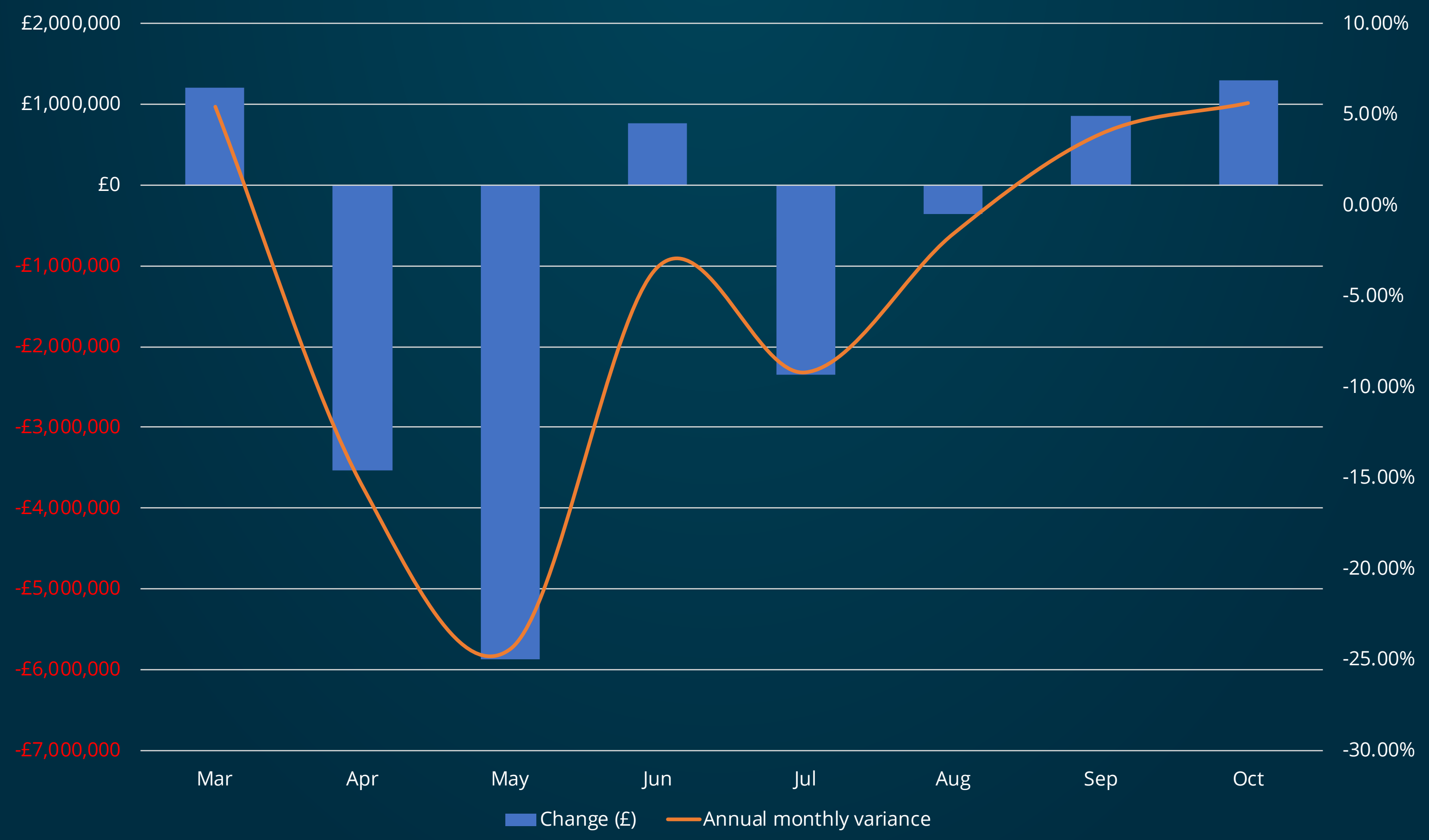
The variation in the trend lines for planning application volumes and planning fees is likely to be explained by the current make-up of applications. As we see from the different types of applications, Full Planning and Outline applications have taken longer to recover and come back into the pipeline. 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 introduced 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.

Planning fee income for online applications



Planning fee income for online applications



Planning Portal: Past, present and future

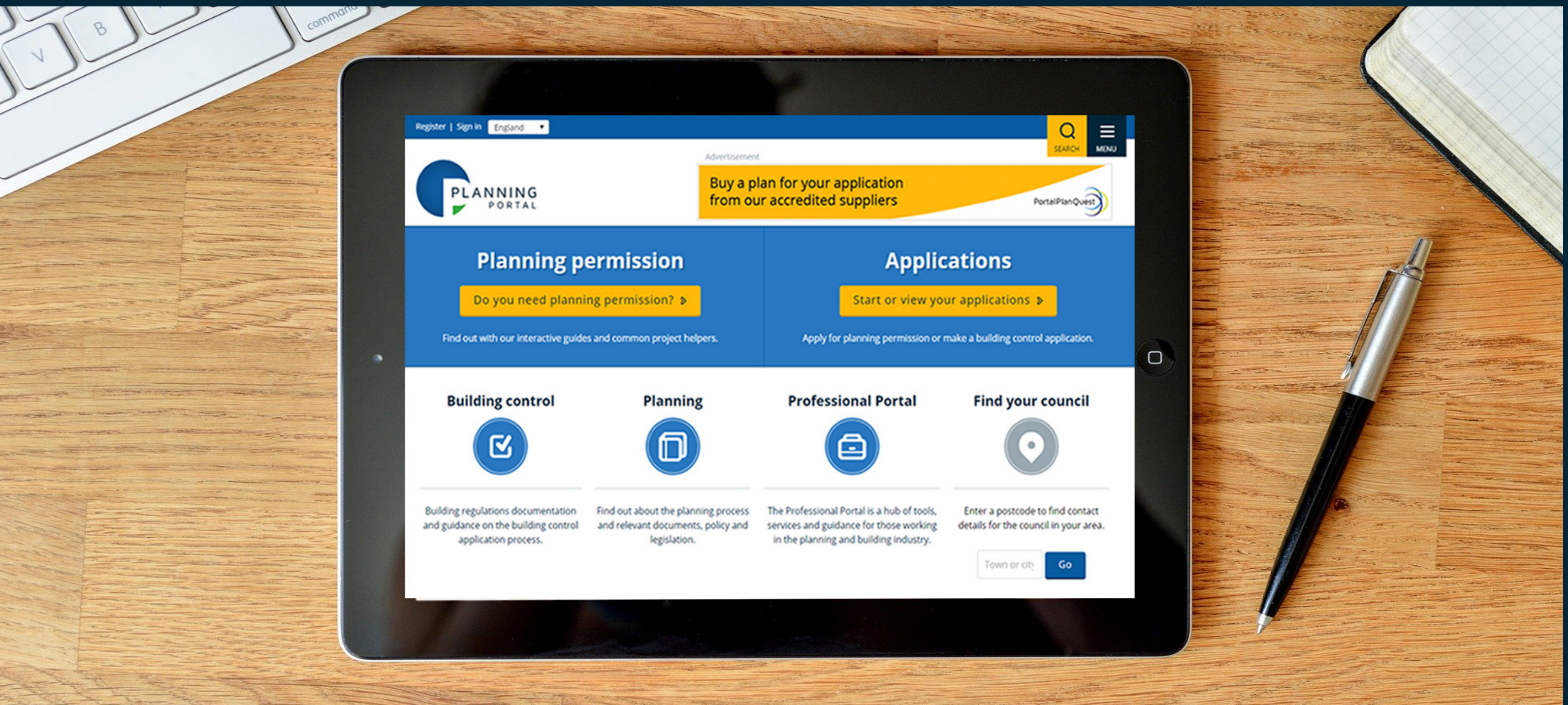
Join us as we embark on a series of online events designed to show you the future of planning and showcase our proposals for the Planning Portal service.

If you are involved in the planning and construction process in England and Wales, this is a must-attend 30 minute session, once a month.
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.

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. 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 to register.

Tuesday 8 December 2020	12:00 - 12:30pm
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

Register for the webinar series



Planning Portal Virtual Conference 2020

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PLANNING PORTAL

16 - 19 November

As our second annual conference draws closer, we're pleased to announce that the final agenda is now live at **www.planningportal.co.uk/conference**

Key highlights include an opening address from Rt Hon Christopher Pincher MP, the opening keynote from MHCLG's new Chief Planner Joanna Averley, on planning reform, Victoria Hills, Chief Executive of RTPI on Zoning, DEFRA will discuss Biodiversity Net Gain, MHCLG on building standards and the Fire Safety Programme, you'll even hear about future development at the Planning Portal and what this means for submitters and Local Authorities.

If you want to join over 750 industry professionals and hear from industry thought leaders and commentators, book quickly to avoid disappointment.

Register now to virtually attend the sessions below:

» **Monday 16 November**
09:45 – Planning Reform
14:00 – Zoning

» **Tuesday 17 November**
10:00 – Biodiversity Net Gain
14:00 – Building standards and the Fire Safety Programme

» **Wednesday 18 November**
10:00 – Tech in Development Management
14:00 – Tech in Development Management – Invalidations

» **Thursday 19 November**
10:00 – Tech in the Planning Process – 3D Modelling & Visualisation
14:00 – Tech in the Planning Process – Spatial, Data & Cities

To find out more information and book your place, visit

www.planningportal.co.uk/conference

What's coming in next month's edition?

In next month's edition we are going to take a more in-depth look at Prior Approval submission for the change of use from offices to dwellinghouses. This has been a controversial process for many and we will delve deeper in terms of who's submitting these applications, where they are and the number of units being proposed.

Subscribe now for your free monthly Planning Market Insight Report

We hope that the information provided in this edition gives a comprehensive insight into the planning data captured by the Planning Portal on a national, regional and local basis, and across the different types of applications submitted.

Each month we will feature a different topic of interest, but we always welcome your views on what's of interest to you, your company or general information on planning and construction matters.

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.

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