



House of Commons
Housing, Communities and
Local Government Committee

Permitted Development Rights

Third Report of Session 2021–22

*Report, together with formal minutes relating
to the report*

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Housing, Communities and Local Government Committee

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Summary

In the last year, the Government has made significant changes to permitted development rights (PDRs) and the use class system. Of these changes, the two most notable are the creation of new use class E, which brings together most uses commonly found on the high street, and a new class MA right for change of use from use class E to residential. Since change of use within the same use class is not considered development, the new use class means more premises can now change their use without the developer needing planning permission. The new class MA right is the latest in a series of PDRs for change of use to residential. The objective of the changes is to revitalise high streets and boost housing delivery by making it easier for landlords and developers to change the use of buildings and respond more flexibly to changing demand.

Whilst we understand the intention behind the recent changes, we have concerns about their impact, including on local planning authorities (LPAs) and the critical role they play in place-making. The ability of LPAs to control permitted development is limited to certain prescribed matters, principally those set out in the prior approval process. We support the use of prior approval and other conditions to control the quality of permitted development, but we heard the regime had become so complicated it was now little different from the full planning system. Furthermore, the Government has not explained how its approach to PDR fits with its proposed reforms in the planning White Paper. In particular, the recent changes appear to contradict the increased focus in the White Paper on plan-led development and local democratic involvement.

For these reasons, we recommend the Government pause any further extensions of permitted development rights for change of use to residential, including the new class MA right, which is due to take effect on 1 August, and conduct a review of their role within the wider planning system. As part of that review, we recommend it set out its long-term vision for permitted development for change of use to residential and explain how it plans to retain the benefits of these PDRs whilst not also sacrificing the ability of LPAs to shape their communities.

Besides prior approval, the main way LPAs can control permitted development is by imposing an Article 4 direction to disapply certain PDRs in a specified area, such as a commercial or town centre. The Government recently proposed changing the regime to restrict the circumstances in which LPAs could impose a direction, although following a consultation it amended its proposal to specify that directions could be used to prevent the loss of the essential core of a primary shopping area. We welcome this amendment, as an improvement on the original proposal, but it is too early to say if it goes far enough. It is also not clear why the Government feel it necessary to amend the current wording or what problem it is trying to fix.

We broadly welcome the new use class E, as we can see the advantages of greater flexibility, but we are concerned it allows out-of-town premises, such as office blocks, to convert to retail without having first gone through the sequential test. The purpose of the test is to ensure that wherever possible main town centre uses are located in town centres. We recommend the Government consider amending the use class regime to prevent such development from bypassing the sequential test.

The Government says the new class MA right will boost footfall, by increasing the number of people living in town centres, and so revitalise local economies. We acknowledge there may be merit in converting upper floors, but we are concerned about the potential loss of ground-floor retail premises. As currently drafted, the new right will apply to all use class E premises that have been vacant for three months. We fear this is not long enough to prevent viable business from being evicted by landlords seeking a profit from residential conversions and that this resulting loss of businesses could instead have a negative impact on footfall.

We recommend the Government either extend the vacancy period or devise a test that can be applied to properties to make sure they are not still viable as commercial premises. We also recommend it amend the prior approval process for the class MA right so that councils, in deciding whether to approve development, can consider the impact of a loss of ground-floor commercial, business and service uses on the sustainability of a town centre or high street. Currently, this protection only applies in conservation areas.

As well as revitalising town centres, the Government says its recent changes will boost housing delivery. We conclude that previous PDRs have contributed to the supply of new homes but that the precise number is difficult to calculate given the likelihood that some of them would have been built anyway. Given the acute housing shortage, we welcome any additional housing, but although we have been told of examples of good quality conversions, we are seriously concerned that some of the homes are of poor quality and situated in unsuitable places, such as business and industrial parks, and that some of the people living in them do not have the option of living elsewhere. PDRs also tend to produce too many studio and one-bedroom flats and not enough family homes.

We welcome the Government's amendment to permitted development requiring that all new homes delivered through PDRs comply with nationally described space standards. We recommend, however, that it also amend the prior approval process to enable councils to better control the quality and location of housing delivered under PDR. In particular, we recommend that local authorities be able to prevent the siting of homes in inappropriate locations, such as business and industrial parks. Among other amendments to prior approval, we suggest the Government consider requiring the installation of windows (rather than just skylights) as part of the requirement for adequate natural light; requiring the provision of outdoor private or communal amenity space; and enabling local authorities to require that overall the housing delivered through PDRs contributes a mix of housing types that fits with their own assessment of housing need in their area.

1 Introduction

1. In the past year, the Government has committed itself to reforming the planning system to make it more accessible, efficient and predictable. Central to this policy objective are the long-term reforms outlined in last year's White Paper, *Planning for the future*.¹ Whilst the Government formulates its proposals in response to the consultation on the White Paper, it says it wants to “explore more immediate changes to the planning system”, with the objective of introducing more certainty and flexibility.²

2. The most notable of these immediate changes are those to the system of permitted development announced in the last year, in particular the creation of a new use class for most commercial, business and services premises (use class E) and the introduction of a new permitted development right (PDR) for change of use from the new use class to residential, known as the class MA right.³ The new PDR is the latest in a series of PDRs permitting change of use to residential.

3. The purpose of the recent changes to permitted development is to increase housing delivery, especially on brownfield sites, and revitalise high streets and town centres by making it easier for landlords and developers to respond to changing demand.⁴ The Government also argues that the additional homes in town centres will have the knock-on effect of increasing footfall and so will further boost local economies.⁵

4. The use of PDRs to permit change of use to residential has been controversial since the first one was introduced in 2013.⁶ Among the most persistent criticisms have been the impact on the ability of local authorities to plan development and on high streets and town centres; the poor quality of some of the housing delivered through PDRs; and the ability of permitted development to avoid contributing to the cost of offsetting its negative impact on communities, including through the provision of physical and social infrastructure and affordable housing. In the light of these concerns, we decided to conduct an inquiry into the Government's approach to permitted development.⁷

Our inquiry

5. On 23 March 2021, we launched our inquiry into permitted development rights with a call for evidence. The inquiry received 97 written submissions and took oral evidence from Shelter; Reading Council; the Local Government Association (LGA); the Country Land and Business Association (CLA); the British Property Federation (BPF); the London Property Alliance; the Association of Town and City Management (ATCM); the YIMBY Alliance and PricedOut; the Institute of Place Management (IPM); Dr Ben Clifford, from the Bartlett School of Planning, University College London; Policy Exchange; London

1 Ministry of Housing, Communities and Local Government, [Planning for the Future](#), (August 2020)

2 MHCLG, [Supporting housing delivery and public service infrastructure](#)

3 [The Town and Country Planning \(Use Classes\) \(Amendment\) \(England\) Regulations 2020](#); [The Town and Country Planning \(General Permitted Development etc.\) \(England\) \(Amendment\) Order 2021](#)

4 [Explanatory memorandum to the Town and Country Planning \(General Permitted Development etc.\) \(England\) \(Amendment\) Order 2021](#)

5 MHCLG, [Supporting housing delivery and public service infrastructure](#), para 5

6 [The Town and Country Planning \(General Permitted Development\) \(Amendment\) \(England\) Order 2013](#)

7 For example, see: Royal Institution of Chartered Surveyors, [Extending permitted development rights in England: the implications for public authorities and communities](#), (May 2018); London Councils, [The Impact of Permitted Development Rights for Office to Residential Conversions](#), (August 2015)

First; the Minister for Housing, Rt Hon. Christopher Pincher MP; and Simon Gallagher, Director of Planning at the Ministry of Housing, Communities and Local Government (MHCLG). We are grateful to all those who gave evidence. We are also grateful for the support and advice throughout this inquiry from our two specialist advisors, Kelvin MacDonald, Senior Fellow at the Department of Land Economy, University of Cambridge, and Christine Whitehead, Emeritus Professor of Housing Economics at the London School of Economics and Political Science.

Structure of our report

6. In chapter 2, we explore the history of permitted development and the recent changes, particularly those allowing change of use to residential, and how they relate to both the wider planning system, as it exists now, and the Government's proposed planning reforms. In chapter 3, we consider how permitted development has affected the ability of local authorities to shape communities and plan development in their areas and the tools available to them to control and restrict the use of PDRs in certain areas. In chapter 4, we turn to the impact of the new use class E and class MA right on high streets and town centres. In chapter 5, we explore the contribution permitted development makes to the delivery of new housing and the impact of its general exemption from Section 106 agreements and the Community Infrastructure Levy.

2 The role of permitted development in the planning system

Permitted development and the use class system

7. PDRs are rights to make certain changes to a building or the use of a building without the need to apply for planning permission. They derive from a general planning permission granted by Parliament, rather than permission granted by the local planning authority (LPA), and have existed ever since the implementation of the comprehensive, statutory planning system in 1948.⁸ Whilst permitted development bypasses the full planning application phase, some PDRs require the developer to first obtain “prior approval” from the LPA, in respect of a restricted range of planning matters. Some PDRs cover building work, such as home extensions, and others cover conversions between different use classes.

8. Slightly different from permitted development, but having the same effect, is the use class regime. Under the Town and Country Planning (Use Classes) Order 1987, different uses of buildings and land are grouped together under use classes.⁹ Change of use within the same use class is permitted, on the grounds that it does not constitute development and so does not require planning permission.¹⁰ Many PDRs work by permitting changes of use from one use class to another. For example, the class O right in the Town and Country Planning (General Permitted Development) (England) Order 2015 permitted changes of use from use class B1(a) (offices) to use class C3 (residential).¹¹

9. In recent years, successive governments have made significant changes to the permitted development regime. One of the first came in 2010, when the Coalition Government legislated to permit changes of use between C3 (residential) and C4 (small houses in multiple occupation (HMOs)).¹² It legislated again in 2013 to extend existing PDRs for homes and business premises and to grant a temporary PDR for change of use from office to residential.¹³ The intention behind this last PDR was to support growth by making it easier for businesses “to make the best use of their premises” and increasing the number of new homes.¹⁴ In 2015, the Government replaced the Town and Country Planning (General Permitted Development) Order 1995 with the Town and Country Planning (General Permitted Development) (England) Order 2015.¹⁵ The new order consolidated all existing PDRs and added new ones. Since then, all new changes to permitted development have been made via amendments to the 2015 Order. In 2016, the temporary office-to-residential PDR was made permanent.¹⁶

8 [The Town and Country Planning \(General Development\) Order 1948](#)

9 [The Town and Country Planning \(Use Classes\) Order 1987](#)

10 [Explanatory memorandum to the Town and Country Planning \(Use Classes\) \(Amendment\) \(England\) Regulations 2020, para 2.1](#)

11 [The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015](#)

12 [The Town and Country Planning \(General Permitted Development\) \(Amendment\) \(No.2\) \(England\) Order 2010](#); small HMOs are defined as small shared houses occupied by between three and six unrelated individuals, as their only or main residence, who share basic amenities such as a kitchen or bathroom

13 [The Town and Country Planning \(General Permitted Development\) \(Amendment\) \(England\) Order 2013](#)

14 [Explanatory memorandum to the Town and Country Planning \(General Permitted Development\) \(England\) Order 2015, para 7.1](#)

15 [The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015](#)

16 [Town and Country Planning \(General Permitted Development\) \(England\) \(Amendment\) Order 2016](#)

10. In 2020, the Government introduced major changes to the use class system, primarily to permit conversion between a much wider range of commercial and retail premises through the creation of new use class E (commercial, business and service).¹⁷ According to the explanatory memorandum to the relevant statutory instrument, the new use class “allows for a mix of uses to reflect changing retail and business models” and so “recognises that a building may be in a number of uses concurrently or that a building may be used for different uses at different times of the day.” Changes of use within this class do not require planning permission. The Government believes that combining these uses “will give businesses greater freedom to adapt to changing circumstances and to respond more quickly to the needs of their communities.”¹⁸ The new use classes took effect on 1 September 2020.¹⁹

11. Consequent on the introduction of the new use class, the Government announced a new PDR for conversion between use class E and use class C3 (residential), known as the class MA right.²⁰ Its objective is to provide “further flexibility to allow this broader range of uses to change to residential use” and to “support housing delivery and attract the additional footfall that new residents will bring.”²¹ The class MA right will apply from 1 August 2021.²²

12. The same statutory instrument that introduced the new class MA right also expanded the scope of an existing permitted development right to allow larger extensions to existing schools, colleges, universities, hospitals and prisons.²³ In the last year, through separate statutory instruments, the Government has also introduced PDRs to permit the demolition and rebuild of vacant buildings for housing, in order to “stimulate regeneration of our towns and cities and deliver additional homes more easily as part of the Government’s response to the Covid-19 pandemic”;²⁴ to allow additional storeys to be constructed on existing purpose-built blocks of flats to create new homes;²⁵ and to allow the construction of additional storeys on free standing blocks and on buildings in a terrace that are houses or in certain commercial uses, and in mixed uses with an element of housing, to create additional self-contained homes.²⁶

17 [The Town and Country Planning \(Use Classes\) \(Amendment\) \(England\) Regulations 2020](#); the new use class incorporates the previous shops (A1), financial and professional services (A2), restaurants and cafes (A3) and offices (B1) use classes. Uses such as gyms, nurseries and health centres (previously in use classes D1 (non-residential institutions) and D2 (assembly and leisure)) and other uses which are suitable for a town centre area are also included in the class.

18 [Explanatory memorandum to the Town and Country Planning \(Use Classes\) \(Amendment\) \(England\) Regulations 2020](#), para 7.3

19 [Ibid](#), para 11.1

20 [The Town and Country Planning \(General Permitted Development etc.\) \(England\) \(Amendment\) Order 2021](#)

21 [Consultation outcome: supporting housing delivery and public service infrastructure](#)

22 [Explanatory memorandum to the Town and Country Planning \(General Permitted Development etc.\) \(England\) \(Amendment\) Order 2021](#), para 7.9

23 [Explanatory memorandum to the Town and Country Planning \(General Permitted Development etc.\) \(England\) \(Amendment\) Order 2021](#); see also: MHCLG press release, [New freedoms to support high streets and fast track delivery of schools and hospitals across England introduced today](#); MHCLG, [Supporting housing delivery and public service infrastructure](#), paras 34-35

24 [Town and Country Planning \(General Permitted Development\) \(England\) \(Amendment\) \(No. 3\) Order 2020](#); [Explanatory memorandum to the Town and Country Planning \(General Permitted Development\) \(England\) \(Amendment\) \(No. 3\) Order 2020](#)

25 [The Town and Country Planning \(Permitted Development and Miscellaneous Amendments\) \(England\) \(Coronavirus\) Regulations 2020](#)

26 [The Town and Country Planning \(General Permitted Development\) \(England\) \(Amendment\) \(No. 2\) Order 2020](#)

13. In oral evidence, the Housing Minister, the Rt Hon Christopher Pincher MP, outlined the purpose of the Government’s recent changes to permitted development. He described them as “part of a suite of options” the Government had developed or were developing to “increase the housing supply” and to revitalise high streets and drive growth.²⁷ He also called them “an exemplar of our wider planning proposals to make the planning system speedier and more predictable”.²⁸

Support for PDR as a means of speeding up non-controversial planning applications

14. Much of the evidence to our inquiry supported the use of PDR for low-impact, non-controversial building work, as a means of speeding up the planning system and not overburdening LPAs with unnecessary planning applications.²⁹ In their joint submission, Dr Ben Clifford, Dr Jess Ferm and Dr Nicola Livingstone, from the Bartlett School of Planning, University College London, and Dr Patricia Canelas, from the University of Oxford, said PDRs had a “valuable role to play” in respect of “minor extensions of existing buildings”.³⁰ Architects Levitt Bernstein said it was appropriate for “small-scale, low-impact development that is unlikely to be contentious” such as “small home-owner extensions”, “extensions to other building types” and “some changes of use”.³¹ The BPF called it a “useful deregulatory measure that saves small businesses and their landlords time and resource.”³²

PDRs for change of use to residential

15. We also heard, however, that the PDRs for change of use to residential had fundamentally altered the nature and purpose of permitted development.³³ Academics from the Chartered Planners in Academic Practice Group (CPAPG) agreed it had “a key role to play”, but only in supporting a plan-led system, not as “a separate policy instrument”, and that its recent extension was changing its purpose “from its original one of simplifying the approval process” for low-impact development “to one where it is also

27 [Q110](#)

28 [Q138](#)

29 The National Trust ([PDR0067](#)); Levitt Bernstein ([PDR0008](#)); Reading Borough Council ([PDR0022](#)); Town and Country Planning Association ([PDR0024](#)); City of York Council ([PDR0025](#)); CLA ([PDR0027](#)); Tonbridge & Malling Borough Council ([PDR0030](#)); East Riding of Yorkshire Council ([PDR0031](#)); CIH ([PDR0033](#)); The Law Society ([PDR0041](#)); London First ([PDR0044](#)); London Borough of Islington ([PDR0055](#)); Historic England ([PDR0057](#)); Guildford Society ([PDR0059](#)); South East Strategic Leaders (SESL) ([PDR0060](#)); Policy Exchange ([PDR0068](#)); Wildlife and Countryside Link ([PDR0070](#)); London Property Alliance ([PDR0071](#)); [Q2](#) [John Bibby]; [Q30](#) [Mark Tufnell, Ian Fletcher]; Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); London YIMBY, PricedOut ([PDR0048](#)); British Property Federation ([PDR0007](#)); NALC ([PDR0006](#)); Professor Tony Crook (Emeritus Professor at The University of Sheffield); Hon Professor Vincent Goodstadt; Emeritus Professor Christine Whitehead; Emeritus Professor John Henneberry; Professor Nick Gallent; Hon Professor Janice Morphet; Professor Matthew Carmona; Professor Cecilia Wong; Professor Malcolm Tait; Professor Gavin Parker ([PDR0072](#)); Mayor of London ([PDR0095](#)); Land Promoters and Developers Federation ([PDR0096](#))

30 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

31 Levitt Bernstein ([PDR0008](#))

32 British Property Federation ([PDR0007](#))

33 Local Government Association ([PDR0023](#)); Crook, Goodstadt, Whitehead, Henneberry, Gallent, Morphet, Carmona, Wong, Tait and Parker ([PDR0072](#)); Town and Country Planning Association ([PDR0024](#)); [Q2](#) [Worringham]; Royal Town Planning Institute ([PDR0037](#))

an instrument of policy detached from the plan-led system.”³⁴ The Town and Country Planning Association (TCPA) said its recent “rapid expansion” had resulted in “a new shadow planning system”.³⁵ Mark Worringham, Planning Policy Team Leader at Reading Council, called it an “attempt to chip away at the foundations” of the planning system.³⁶

16. We were told that the residential PDRs, of which the new class MA right is the latest example, appeared to have confused the distinction between permitted development and the full planning process. As we explain later in our report, this is because the system of prior approval, and other conditions and standards that developments must meet, has become so complicated that, according to some of the evidence, these PDRs are failing to do what they were designed to do, which is to speed up the planning system for certain types of development. Michael Fearn, a planning consultant, said the 2015 Order, as amended, was now “utterly impenetrable”, including to many practitioners, and did “nothing to further the development that is so urgently required”. In particular, he criticised the subjective nature of many of the conditions for prior approval, which he said made it too easy for councils to reject applications and then led to “endless appeals” that turned on parties’ interpretations of the legislation. He said if the 2015 Order was to deregulate planning it needed to be simplified and all uncertainties and subjectivity removed from the prior approval process.³⁷ The Land Promoters and Developers’ Federation said prior approval could “be complex” and sometimes involved “almost as much technical information as a full planning application”.³⁸ The Royal Town Planning Institute (RTPI) agreed that permitted development was now “effectively the same as a planning application process”.³⁹

Relationship to wider planning reforms

17. The Government’s approach to PDR must also be set in the context of its wider reforms to the planning system, as set out in its recent White Paper, *Planning for the future*. The Government says it “is committed to reshaping the planning system to make it accessible, efficient, and more predictable” and that, whilst the White Paper sets out its “longer-term ambitions”, it wants “to explore more immediate changes to the planning system to provide greater planning certainty and flexibility to ensure that it can effectively contribute to some of the immediate challenges facing the country.”⁴⁰ Its extensions to permitted development are perhaps the most far-reaching of these immediate changes.

Local plans

18. A key element of the proposed planning reforms is an increased focus on Local Plans.⁴¹ We heard, however, that the new class MA right, as well as earlier iterations of the residential right, were inconsistent with this, as they allowed development to take

34 Professor Tony Crook (Emeritus Professor at The University of Sheffield); Hon Professor Vincent Goodstadt; Emeritus Professor Christine Whitehead; Emeritus Professor John Henneberry; Professor Nick Gallent; Hon Professor Janice Morphet; Professor Matthew Carmona; Professor Cecilia Wong; Professor Malcolm Tait; Professor Gavin Parker ([PDR0072](#))

35 Town and Country Planning Association ([PDR0024](#))

36 [Q2](#)

37 Mr Michael Fearn (Consultant at MFS Professional Limited) ([PDR0002](#))

38 Land Promoters and Developers Federation ([PDR0096](#))

39 Royal Town Planning Institute ([PDR0037](#))

40 MHCLG, [Supporting housing delivery and public service infrastructure](#)

41 MHCLG, [Planning for the Future](#), (August 2020)

place even where it contradicted Local Plans.⁴² Bromley Borough Council said they undermined “defined spatial strategies set out in Local Plans, which focus development in a planned way in more sustainable locations, including locations which correlate with planned infrastructure”.⁴³ Mark Worringham said Reading Council had gone through a “long evidence-based process” to work out which of its employment areas were most important to economic growth and that it was now “potentially open season converting offices in those areas”. He said the same was true of its high streets.⁴⁴ Islington Borough Council said the residential PDR was “completely at odds” with the emphasis on a planned approach and that councils would “not be able to implement many elements” of their Local Plans.⁴⁵

19. Tunbridge Wells Borough Council described its efforts to develop a plan for its town centre, taking a “holistic approach to future development” that considered “the important role of both commercial and residential uses”, but said the new PDR undermined this approach.⁴⁶ According to the National Trust, the new class MA right will “simply make it impossible for local authorities to plan effectively and will undermine the primacy of Local Plans as changes to the high street, town centres, edge of towns and rural locations will be outside of any planning controls.”⁴⁷ Noting that the proposals stemming from the White Paper were currently being formulated, the Guildford Society said the Government’s vision should integrate the PDR regime into the planning system and define how it related to Local Plans.⁴⁸ Tesco called on the Government to update its planning practice guidance “to make it clear” that the recent changes to PDR “do not override retail policies contained in Local Plans”.⁴⁹

20. When asked about this tension, the Minister said Local Plans were “hugely important”, that the Government wanted local authorities “to put in place good, up-to-date Local Plans” and that “good local planning” could “ensure that your high street and other places in your community are properly planned for”.⁵⁰ When asked what the point of Local Plans was if permitted development could change what was in them, he replied: “It does not change it that much. What it does is to allow for sensible development to take place in places where, for example, shops or commercial properties are no longer viable.”⁵¹ When pressed on this point, he only repeated the purpose of Local Plans, without explaining how they related to permitted development.⁵²

42 [Q7](#) [Rachel Blake, Mark Worringham]; [Q34](#) [Ian Fletcher]; NALC ([PDR0006](#)); District Councils’ Network ([PDR0017](#)); British Property Federation ([PDR0007](#)); London Councils ([PDR0021](#)); Local Government Association ([PDR0023](#)); Ashford Area Committee of Kent Association of Local Councils (KALC) ([PDR0050](#)); Tunbridge Wells Borough Council ([PDR0054](#)); London Borough of Bromley ([PDR0051](#)); London Borough of Islington ([PDR0055](#)); Guildford Society ([PDR0059](#)); Crawley Borough Council ([PDR0062](#)); The National Trust ([PDR0067](#)); Professor Tony Crook (Emeritus Professor at The University of Sheffield); Hon Professor Vincent Goodstadt; Emeritus Professor Christine Whitehead; Emeritus Professor John Henneberry; Professor Nick Gallent; Hon Professor Janice Morphet; Professor Matthew Carmona; Professor Cecilia Wong; Professor Malcolm Tait; Professor Gavin Parker ([PDR0072](#)); The Heritage Alliance ([PDR0077](#)); Planning Officers Society (POS) ([PDR0080](#)); Hertfordshire Infrastructure & Planning Partnership ([PDR0088](#)); National Parks England ([PDR0091](#)); London Borough of Hackney ([PDR0093](#))

43 London Borough of Bromley ([PDR0051](#))

44 [Q7](#)

45 London Borough of Islington ([PDR0055](#))

46 Tunbridge Wells Borough Council ([PDR0054](#))

47 The National Trust ([PDR0067](#))

48 Guildford Society ([PDR0059](#))

49 Tesco ([PDR0084](#))

50 [Q111](#)

51 [Q112](#)

52 [Q113](#)

Community engagement

21. The White Paper also emphasises the importance of engaging local communities in the planning system. It says residents will be able “to give their views on Local Plans and design codes”, that communities “will be able to trust the planning system again as their voice will be heard from beginning of the process” and that “Local Plans will be developed over a fixed 30-month period with clear engagements points”.⁵³ We were told, however, that PDRs reduced this democratic involvement and accountability, in particular by circumventing Local Plans and excluding local communities from planning decisions.⁵⁴ The TCPA said one of the “most dramatic implications of the continued expansion of PDR is the shift in public participation” and that local communities were “predominantly if not totally excluded from this element of the planning process”.⁵⁵

22. According to Islington Council, it “has led to a democratic deficit”, “sends signals to local communities that involvement in Local Plans will not be worthwhile” and will “lead to disenfranchisement from the wider planning system”.⁵⁶ The Planning Officers Society said communities “do not understand PDR”, “often object on matters” outside the prior approval process and “are not satisfied when the local authority is not in a position to resist the proposals”. It said this had “broken down trust between the public sector and communities”.⁵⁷ According to the Hertfordshire Infrastructure and Planning Partnership, the “increasing complexity” of PDR “disenfranchises local people from the planning process”.⁵⁸ The National Association of Local Councils (NALC) said communities felt “very deflated” when they saw permitted development overriding neighbourhood plans.⁵⁹

23. The Government’s recent changes to the use class system and the introduction of the class MA permitted development right are a continuation of the policy of successive governments since 2013 of using PDR to speed up housing delivery. We understand the intention behind residential PDRs. We also support the use of prior approval and other conditions to control the quality and other aspects of permitted development. We note, however, that the regime might have become so complicated it is now little different from the full planning system.

24. To date, the Government has not explained how its PDR regime fits within the wider planning system or its proposed reforms in the planning White Paper. In particular, the recent extensions to permitted development appear to contradict the increased focus on plan-led development and local democratic involvement, and to fatally undermine the role of local authorities in place-making. This raises the question: How can a local planning authority explain to local communities that its hands are tied and it cannot secure the future of its town centres? We note, too, that there is no scope for local communities to comment on permitted development schemes.

53 MHCLG, [Planning for the Future](#), (August 2020), p. 24

54 Local Government Association ([PDR0023](#)); District Councils’ Network ([PDR0017](#)); London Councils ([PDR0021](#)); Reading Borough Council ([PDR0022](#)); Ashford Area Committee of Kent Association of Local Councils (KALC) ([PDR0050](#)); London Borough of Bromley ([PDR0051](#)); London Borough of Islington ([PDR0055](#)); South East Strategic Leaders (SESL) ([PDR0060](#)); Crawley Borough Council ([PDR0062](#)); The Highgate Society ([PDR0069](#)); Hertfordshire Infrastructure & Planning Partnership ([PDR0088](#)); Town and Country Planning Association ([PDR0024](#))

55 Town and Country Planning Association ([PDR0024](#))

56 London Borough of Islington ([PDR0055](#))

57 Planning Officers Society (POS) ([PDR0080](#))

58 Hertfordshire Infrastructure & Planning Partnership ([PDR0088](#))

59 NALC ([PDR0006](#))

25. We recommend the Government pause any further extensions of permitted development rights for change of use to residential, including the new class MA right, which is due to take effect on 1 August, and conduct a review of their role within the wider planning system. As part of that review, it should set out its long-term vision for permitted development for change of use to residential and explain how it plans to retain the benefits of these PDRs whilst not also sacrificing the ability of local planning authorities to control the quality of development. In setting out its long-term vision, the Government should set out how the PDR regime fits with the wider reforms to the planning system and what plans it has, if any, to further extend permitted development rights.

3 Impact on local authorities

The role of local authorities in shaping communities

26. We were told that local authorities had an important role to play in planning and shaping their communities.⁶⁰ As the BPF put it, “the best town centres do not just happen but require active co-ordination at a local level”, and local authorities are central to this.⁶¹ The LGA said councils needed “the tools and resources” to shape vibrant places.”⁶² It is evident from its focus on Local Plans that the Government accepts they play an important role in planning development. As we heard, this assumption also runs through both the National Planning Policy Framework (NPPF) and the guidance on the Towns Fund and Future High Streets Fund.⁶³ Para. 15 of the NPPF states: “The planning system should be genuinely plan-led. Succinct and up-to-date plans should provide a positive vision for the future of each area”.⁶⁴ Our predecessor Committee’s report, *High streets and town centres in 2030*, also concluded that planning was “crucial to high street and town centre transformation” and that councils “should be actively encouraged to develop town centre masterplans and use their powers positively to renew their town centres”.⁶⁵

27. One of the most common criticisms of residential PDRs raised in our evidence was that they undermined this ability of local authorities to shape communities.⁶⁶ Rachel Blake, Member of the Environment, Economy, Housing and Transport Board at the LGA, said they were undermining local government’s “place-shaping role” and the “long-term sustainability of neighbourhoods, high streets and communities”.⁶⁷ British BIDs, an organisation representing business improvement districts, said the new class MA right would “take control away from local authorities at a time when our high streets’ future depends more than ever on strong local leadership and vision”.⁶⁸ The District Councils’ Network (DCN) said the class MA right threatened “to undermine councils’ ability to develop and deliver on the long-term vision of economic stability for local areas, high streets and town centres”⁶⁹

28. According to the TCPA, as a result of the post-2013 changes to permitted development, local authorities now have little control over change in their area, particularly town

60 British Property Federation ([PDR0007](#)); [Q5](#) [Rachel Blake, Mark Worringham]; Local Government Association ([PDR0023](#)); London Councils ([PDR0021](#)); South East Strategic Leaders (SESL) ([PDR0060](#)); Reading Borough Council ([PDR0022](#)); Town and Country Planning Association ([PDR0024](#));

61 British Property Federation ([PDR0007](#))

62 Local Government Association ([PDR0023](#))

63 British Property Federation ([PDR0007](#)); Institute of Place Management ([PDR0043](#)); District Councils’ Network ([PDR0017](#)); British BIDs ([PDR0063](#))

64 MHCLG, National Planning Policy Framework, (February 2019), p. 8

65 Housing, Communities and Local Government Committee, Eleventh Report of Session 2017–19, [High streets and town centres in 2030](#), HC1010, p. 4

66 Institute of Place Management ([PDR0043](#)); Levitt Bernstein ([PDR0008](#)); District Councils’ Network ([PDR0017](#)); Town and Country Planning Association ([PDR0024](#)); London First ([PDR0044](#)); Association of Town and City Management ([PDR0039](#)); [Q5](#) [Rachel Blake, Mark Worringham]; [Q32](#) [James Wickham]; Dolphin Living ([PDR0011](#)); London Councils ([PDR0021](#)); London Borough of Bromley ([PDR0051](#)); Tunbridge Wells Borough Council ([PDR0054](#)); Professor Tony Crook (Emeritus Professor at The University of Sheffield); Hon Professor Vincent Goodstadt; Emeritus Professor Christine Whitehead; Emeritus Professor John Henneberry; Professor Nick Gallent; Hon Professor Janice Morphet; Professor Matthew Carmona; Professor Cecilia Wong; Professor Malcolm Tait; Professor Gavin Parker ([PDR0072](#)); The Heritage Alliance ([PDR0077](#)); British BIDs ([PDR0063](#))

67 [Q2](#)

68 British BIDs ([PDR0063](#))

69 District Councils’ Network ([PDR0017](#))

centres, which makes it difficult “to implement a range of other policy priorities around regeneration” and “creating healthy, walkable, compact neighbourhoods”.⁷⁰ The ATCM said uncontrolled conversions to residential use removed one of the few tools available to local authorities seeking to plan development and hindered “new town centre visions and regeneration”.⁷¹ London First said it undermined LPAs’ ability to “curate the balance of uses that they feel is needed for a mixed and sustainable community”.⁷²

How local planning authorities can control permitted development

29. The two main mechanisms by which LPAs can attempt to control the use of PDRs are the prior approval process and Article 4 directions.

Prior approval

30. Some PDRs require developers to submit an application for prior approval to the LPA. This allows the LPA to assess the impact of the development in respect of certain prescribed matters and in some instances to reject the application. For the new class MA right, prior approval will be required in respect of flooding; transport impacts; contamination, impacts of noise from existing commercial premises; adequate natural light; the impact of the loss of ground floor commercial, business and service use on the character and sustainability of a conservation area; impact on future residents in an area the authority considers important for heavy industry, waste management, storage and distribution; and impact of the loss of health centres and registered children’s nurseries. In addition, the Government recently introduced a further prior approval in relation to fire safety.⁷³ The matters that can be considered under prior approval differ slightly between PDRs. For example, prior approval for the new class ZA right, which permits the demolition and rebuild of some vacant and redundant buildings, permits LPAs to reject an application based on the design and external appearance of the proposed development; no such condition applies to the class MA right. LPAs have 56 days in which to respond to an application for prior approval. If they do not, approval is automatically granted.⁷⁴

31. As Clifford, Ferm, Livingstone and Canelas explained, since “prior approval is more a process of checking against a pre-set list of considerations, a planning officer cannot take a holistic view of a scheme in the way they can with a normal planning permission.”⁷⁵ Given this inability to consider a scheme holistically, we were told the prior approval list needed to be more comprehensive if councils were really to have the power to control development in their areas.⁷⁶ London Councils said the prior approval criteria for the class MA right were “too narrow and should be further extended in consultation with LPAs”.⁷⁷ Ojay McDonald, Chief Executive Officer of the ATCM, said councils should be able to protect ground-floor premises on high streets.⁷⁸ At the moment, only ground-

70 Town and Country Planning Association ([PDR0024](#))

71 Association of Town and City Management ([PDR0039](#))

72 London First ([PDR0044](#))

73 [General Permitted Development etc. \(England\) \(Amendment\) \(No. 2\) Order 2021](#)

74 [Schedule 2 to the Town and Country Planning \(General Permitted Development\) \(England\) Order 2015](#); Crawley Borough Council ([PDR0062](#))

75 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

76 Town and Country Planning Association ([PDR0024](#)); London Councils ([PDR0021](#)); [Q6](#) [Mark Worringham]; [Q72](#) [Sarah Bevan]; British Retail Consortium ([PDR0087](#))

77 London Councils ([PDR0021](#))

78 [Q72](#)

floor premises in conservation areas are protected.⁷⁹ Sarah Bevan, Programme Director, Planning and Development, at London First, called the omission of adequate private amenity space “a real oversight” and said that unit mix should also be included.⁸⁰ The TCPA asked for the inclusion of design, the health and wellbeing of future residents, access to greenspaces and contribution to the Government’s zero carbon target.⁸¹ Mark Worringham from Reading Council cited such omissions as “the impact of the loss of commercial floorspace” on the local economy and “the types of home provided” and the “provision of outdoor amenity space”.⁸² The British Retail Consortium (BRC) proposed that the impact on the commercial viability of a high street or town centre be added to the list of prior approval.⁸³

32. There was concern, however, that the longer the list of prior approval criteria, the more like the traditional planning process it becomes and the less useful it is as a tool for speeding up planning decisions.⁸⁴ City of York Council said the “vastly expanded use” of prior approval had “introduced matters of judgement into the PDR regime” and so arguably moved PDR beyond its traditional role within the planning system.⁸⁵ Mark Worringham, whilst welcoming recent additions to prior approval, acknowledged that the longer the list got, the less obvious became the rationale for not dealing with applications through the full planning system.⁸⁶ As Reading Council pointed out, if prior approval covered all the points of concern, there would be no justification for not subjecting these developments to the fully planning permission process.⁸⁷ Given the complexity of the prior approval process, Rachel Blake from the LGA wondered “why we would not want it to go through the planning application process” instead.⁸⁸ London Councils said many of the “new prior approval processes will be of an equivalent complexity to that of a planning application”.⁸⁹

33. As a result of the increased complexity of the prior approval process, many witnesses also raised concerns about the burden permitted development was placing on council resources. In partial recognition of the problem, the Government has said it will introduce secondary legislation “at the first available opportunity” to increase the prior approval fee for the class MA right to £100 per dwellinghouse up to a maximum of £5,000.⁹⁰ The evidence from local government representatives agreed, however, that even with the increase the fees were not enough.⁹¹ Mark Worringham from Reading Council said they did not “cover the cost of determining” the application, although he recognised this had become more of a problem as the list of conditions had grown whilst also welcoming the

79 [Explanatory memorandum to the Town and Country Planning \(General Permitted Development etc.\) \(England\) \(Amendment\) Order 2021](#), para 7.8

80 [Q89](#); [Q102](#)

81 [Town and Country Planning Association \(PDR0024\)](#)

82 [Q6](#)

83 [British Retail Consortium \(PDR0087\)](#)

84 [City of York Council \(PDR0025\)](#); [London Councils \(PDR0021\)](#);

85 [City of York Council \(PDR0025\)](#)

86 [Q6](#)

87 [Reading Borough Council \(PDR0022\)](#)

88 [Q8](#)

89 [Q72](#) [Matthew Davis]; [Q101](#) [Sarah Bevan]

90 [Explanatory memorandum to the Town and Country Planning \(General Permitted Development etc.\) \(England\) \(Amendment\) Order 2021](#), paras 7.11 and 7.18

91 [Q6](#) [Mark Worringham]; [London Councils \(PDR0021\)](#); [Reading Borough Council \(PDR0022\)](#); [London Councils \(PDR0021\)](#)

fact that it had grown.⁹² Reading Council said it had lost an estimated £1.53 million in planning application fees since the introduction of residential PDRs.⁹³ London Councils said the fees should be “commensurate with the work involved”.⁹⁴

34. The prior approval process is the principal mechanism by which local planning authorities can control permitted development in their areas, and we welcome the recent inclusion of more criteria, but we are concerned about its increasing complexity and the consequent impact on councils’ resources. This tension—between setting necessary limits on the PDR regime and the negative impacts of greater complexity—is difficult to resolve. The efficacy of permitted development depends on whether it can speed up planning decisions and make the outcomes more predictable for developers. The expanded use of prior approval unavoidably compromises its ability to do this. It also places a burden on local authorities that is not commensurate with the fees charged, and at a time when their resources are already strained and they are therefore not equipped to provide a quick service.

35. As we have already recommended, the Government should review the role of permitted development rights in the planning system. As part of that review, it should consider how to amend the prior approval process to both simplify it and give local authorities the tools they need to shape their communities in line with Local Plans. In addition, the Government should calculate the cost to local authorities of processing prior approval applications and increase the fees accordingly.

Article 4 directions

36. Article 4 of the 2015 Order allows LPAs to consult with their local communities about whether to withdraw particular PDRs over a specified area.⁹⁵ Schedule 3 to the Order states that a local authority may apply a direction where it considers development “would be prejudicial to the proper planning of their area or constitute a threat to the amenities of their area”. Where an Article 4 direction is in place, the specified PDRs no longer apply and a full planning application must be submitted. In August 2019, some 57 LPAs in England had applied Article 4 directions in their area.⁹⁶ According to the NPPF, they “should be limited to situations where this is necessary to protect local amenity or the well-being of the area”.⁹⁷

37. Article 4 directions require consultation and are costly to secure. Councils are also liable for the commercial impact on a developer of depriving them of their right to develop unless they give a year’s notice. Since the liability of an immediate Article 4 is unlimited, in practice there will always be at least a year between the introduction of a new PDR and the first directions taking effect.⁹⁸ Moreover, though Article 4 directions are confirmed by LPAs, the Secretary of State must be notified and has wide powers to modify or cancel most directions at any point.⁹⁹

92 [Q6](#)

93 Reading Borough Council ([PDR0022](#))

94 London Councils ([PDR0021](#))

95 [The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015](#)

96 MHCLG, [Research into the quality standard of homes delivered through change of use permitted development rights](#), (July 2020), p. 14

97 [National Planning Policy Framework](#), para 53

98 [Section 108\(2A\) of the Town and Country Planning Act 1990](#)

99 MHCLG, [Extending permitted development rights for homeowners and businesses – technical consultation](#), p. 20

38. In January 2021, the Government launched a consultation on proposed changes to the NPPF that would have further restricted the circumstances in which a local authority could apply an Article 4 direction. Under the changes, where a proposal relates to a change of use to residential, directions would be limited to situations “where this is essential to avoid wholly unacceptable adverse impacts”, or, alternatively, “where this is necessary in order to protect an interest of national significance”, and “in all cases” be applied “to the smallest geographical area possible”.¹⁰⁰

39. There was a lot of concern in our evidence about the Government’s proposals to restrict the use of Article 4 directions.¹⁰¹ Mark Worringham from Reading Council said the proposals set a bar for their use that would be “almost impossible” to clear except in exceptional circumstances.¹⁰² James Wickham, representing the London Property Alliance, said if the Government made one change it should be to scrap its proposals to restrict the use of Article 4 directions as the current rules had “worked reasonably well”.¹⁰³ London Councils said the proposals would “almost completely nullify” Article 4 directions and called on the Government to enable councils to make greater use of them, rather than further limiting their use.¹⁰⁴ The TCPA said they were a “crucial tool for local authorities” and the Government, instead of restricting their use, should amend the wording in the NPPF to reflect that in schedule 3 of the 2015 Order.¹⁰⁵ Brighton and Hove City Council said the existing wording was “well-established”, “effective” and “appropriate” and pointed out that the Secretary of State already had powers to modify or cancel a direction where necessary.¹⁰⁶ Policy Exchange welcomed the proposals, however, but on the same grounds that others criticised them. It said Article 4 directions would “become the exception rather than the rule, as seems originally intended”.¹⁰⁷

40. The BRC criticised the time it took, under the existing regime, to implement an Article 4 direction. It said the process could be “time consuming” and “expensive”, “with the process potentially taking a year and requiring approval by the Secretary of State”. It said a “significant amount of harm can occur in a year through inappropriate changes of use” and recommended the Government reduce the time it takes to implement directions “so that local communities are better able to use planning mechanisms to protect local areas from harm”.¹⁰⁸ This chimes with what our predecessor Committee said in its 2019 report, *High streets and town centres in 2030*, in which it concluded that Article 4 Directions did not “give councils adequate ability to remove PDRs quickly and without liability to pay developers compensation” and recommended that where PDRs conflicted “with particular designations in the Local Plan or other established planning documents, councils should be given greater freedom to suspend PDRs in the affected area.”¹⁰⁹

100 MHCLG, [National Planning Policy Framework Draft text for consultation – draft text for consultation](#);

101 London First ([PDR0044](#)); Levitt Bernstein ([PDR0008](#)); Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); [Q6](#) [Mark Worringham, Rachel Blake]; London Councils ([PDR0021](#)); Local Government Association ([PDR0023](#)); Reading Borough Council ([PDR0022](#)); Town and Country Planning Association ([PDR0024](#)); CIH ([PDR0033](#)); Brighton & Hove City Council ([PDR0035](#)); London Property Alliance ([PDR0071](#)); Dolphin Living ([PDR0011](#))

102 [Q6](#)

103 [Q57](#)

104 London Councils ([PDR0021](#))

105 Town and Country Planning Association ([PDR0024](#))

106 Brighton & Hove City Council ([PDR0035](#))

107 Policy Exchange ([PDR0068](#))

108 British Retail Consortium ([PDR0087](#))

109 Housing, Communities and Local Government Committee, Eleventh Report of Session 2017–19, [High streets and town centres in 2030](#), HC1010, para 98

41. In oral evidence to our inquiry, the Minister said the Government wanted “to retain the opportunity for Article 4 exemptions” but was keen to see them used “in a targeted and measured way.” Simon Gallagher, Director of Planning at MHCLG, said they should be used “only in certain limited circumstances” and acknowledged that even the current wording was “quite restrictive”.¹¹⁰ When asked if the proposed new wording would make them effectively impossible to apply, the Minister disagreed but noted that the Department was still working through the responses to its consultation to the proposed changes. Simon Gallagher said he did not think it was “designed to be quite as narrow” as that but that “we have heard that point and that is part of the representations we are considering”.¹¹¹

42. In July 2021, after the evidence-gathering phase of our inquiry, the Government announced the outcome of its consultation. The proposal has been amended to clarify that a direction may be applied to prevent “the loss of the essential core of a primary shopping area”. The full text of the revised paragraph 53 will now read:

The use of Article 4 directions to remove national permitted development rights should:

- where they relate to change from non-residential use to residential use, be limited to situations where an Article 4 direction is necessary to avoid wholly unacceptable adverse impacts (this could include the loss of the essential core of a primary shopping area which would seriously undermine its vitality and viability, but would be very unlikely to extend to the whole of a town centre)
- in other cases, be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of the area (this could include the use of Article 4 directions to require planning permission for the demolition of local facilities)
- in all cases, be based on robust evidence, and apply to the smallest geographical area possible.¹¹²

43. **Local councils should be able to protect certain areas from permitted developments rights where they have legitimate concerns about the impact on town centres, high streets and commercial centres. We welcome the amendment to the proposed changes to the National Planning Policy Framework clarifying that Article 4 directions may be applied “to prevent the loss of the essential core of a primary shopping area”. This is an improvement on the original proposal, although it is too early to say if it goes far enough. It is also not clear why the Government feel it necessary to amend the current wording or what problem it is trying to fix. In addition, we still believe that councils should not have to wait one year before being able to apply a direction without also being liable to pay compensation to developers.**

44. *The Government should clarify why it considers it necessary to amend paragraph 53 of the National Planning Policy Framework, and set out how the new wording addresses the issues it is seeking to resolve. In addition, we recommend that the Government monitor whether the changes to paragraph 53 give councils the power they need to protect high streets and town centres from permitted development rights for*

110 [Q120](#)

111 [Q123](#)

112 HC Deb, 1 July 2021, col [24WS](#) [Commons written ministerial statement]

change of use to residential. If the evidence suggests they do not, the Government should amend the wording again to give councils greater freedom to restrict the use of PDRs in certain areas. We also recommend that the Government allow councils to apply Article 4 directions more quickly without having to pay compensation to developers.

4 Impact on high streets and town centres

New use class E

45. As explained in Chapter 2, new use class E brings together certain uses commonly found on high streets that were previously in different use classes. According to the planning White Paper, its purpose is “to make it easier for businesses to change use without the need for planning permission to support our high streets and town centres bounce back following the covid-19 pandemic.”¹¹³ The Government argues that changing consumer behaviour, such as the shift to online shopping, which has been accelerated by the covid-19 pandemic, has particularly affected high streets and town centres and that the new use class will support them in “adapting to these changes” and becoming “thriving hubs where people live, shop, use services, and spend their leisure time.”¹¹⁴

46. The evidence was broadly supportive of new use class E.¹¹⁵ James Wickham from the London Property Alliance welcomed the changes to make the planning system “more responsive and flexible” and said the new use class had “broadly been a positive change”.¹¹⁶ The ATCM agreed it would allow high streets to adapt and that “more flexibility around commercial uses” was “pragmatic” and described it as an example of how permitted development could play a “constructive role in the planning system”.¹¹⁷ London First said “the flexibility afforded by class E for landlords to respond to changing market conditions, and quickly switch between different commercial uses without the need for planning permission, will play an important role in managing vacancy levels”.¹¹⁸ The IPM said it was “very evident that existing use classes in town centres were becoming increasingly irrelevant” and so welcomed “much about the new class E”.¹¹⁹ Clifford, Ferm, Livingstone and Canelas agreed that “greater freedom to change use between different commercial uses (including retail) could have benefits for business”.¹²⁰

47. Some of the evidence was concerned, however, about the potential for large out-of-town gyms and office blocks to be converted into retail units and so bypass the sequential test.¹²¹ According to the NPPF, LPAs should apply a sequential test to planning applications for main town centre uses to ensure that wherever possible they are located in town centres. Out-of-centre sites should be considered only if suitable sites are not available

113 [Planning for the Future](#), p. 68

114 Ministry of Housing, Communities and Local Government, [Supporting housing delivery and public service infrastructure](#), para 3

115 [Q30](#) [James Wickham]; London First ([PDR0044](#)); Association of Town and City Management ([PDR0039](#)); Institute of Place Management ([PDR0043](#)); ACS (The Association of Convenience Stores) ([PDR0083](#)); Norwich BID, VisitNorwich ([PDR0036](#)); London Property Alliance ([PDR0071](#))

116 [Q30](#)

117 Association of Town and City Management ([PDR0039](#))

118 London First ([PDR0044](#));

119 Institute of Place Management ([PDR0043](#))

120 Dr Ben Clifford (Associate Professor in Spatial Planning and Government at The Bartlett School of Planning, University College London (UCL)); Dr Jess Ferm (Associate Professor in Planning and Urban Management at The Bartlett School of Planning, University College London (UCL)); Dr Nicola Livingstone (Associate Professor in Real Estate at The Bartlett School of Planning, University College London (UCL)); Dr Patricia Canelas (Departmental Lecturer in Sustainable Urban Development at University of Oxford) ([PDR0046](#))

121 Institute of Place Management ([PDR0043](#)); London Forum of Amenity and Civic Societies ([PDR0082](#)); Tesco ([PDR0084](#)); [Q3](#) [Rachel Blake, Mark Worringham]; [Q31](#) [James Wickham, Ian Fletcher]; [Q98](#) [Dr Clifford, Sarah Bevan]

there or on the edge of the centre.¹²² Rachel Blake from the LGA said, given “how difficult life has been for high street businesses and high street retail”, losing the sequential test and “the ability to test the impact on local services” would be “a real mistake”.¹²³ Ian Fletcher, Director of Policy at the BPF, cautioned against anything that undermined the sequential test.¹²⁴ According to the London Forum of Amenity and Civic Societies, use class E contradicts the NPPF and the town centre first principle, as there will be no way for LPAs to prevent such conversions.¹²⁵ The IPM said it could “take more retailers... away from the high street unless conditions can be placed on out of centre development”.¹²⁶ Tesco, which warned of a “significant adverse impact on town centres”, thought it perhaps an “unintended consequence” and suggested that the use classes order be amended to require planning permission for such out-of-centre changes of use.¹²⁷

48. When asked about this, the Minister first repeated that the Government was looking at the planning system “in the round” and wanted it to be “more predictable, speedy and outcome-based”. He also seemed to imply that the three areas proposal in the White Paper could help LPAs protect “out-of-town business premises”. When it was suggested that permitted development would bypass those protections, the Minister started talking about homes, saying the PDR changes would bring forward “overwhelmingly brownfield sites for a variety of tenures”. When reminded that the question was about change of use to retail, he mentioned prior approval and the 1,500 sq m floorspace limit, both limitations on the class MA right, not change of use within use class E. At no point did he respond specifically to the point about out-of-town retail.¹²⁸

49. In oral evidence, several witnesses also expressed concern about the possible loss of medical centres as a result of their inclusion in the new use class.¹²⁹ When asked if he accepted this criticism, the Minister said, “No, I do not” and called it “a misunderstanding of the proposals”. He said it had been included to make it easier for other uses to change to medical centres. He then explained that medical centres were protected under the prior approval process for the class MA right, even though the question had been about change of use within the new use class.¹³⁰ Subsequently, in a letter to the Chair of our Committee, the Minister repeated his point about the prior approval process and said the suggestion made to the Committee that medical centres might not be protected was “quite wrong”.¹³¹ The letter did not acknowledge that the question had been about the loss of medical centres through change of use within use class E.

50. We broadly welcome the new use class E, as we can see the advantages of greater flexibility, but it should not permit development to bypass the sequential test or risk the loss of medical centres. As we have already recommended, the Government should review the role of permitted development rights within the planning system. As part of that review, we recommend it consider amending the use class regime to prevent out-of-

122 Ministry of Housing, Communities and Local Government, [National Planning Policy Framework](#), para 86

123 [Q3](#)

124 [Q31](#)

125 London Forum of Amenity and Civic Societies ([PDR0082](#))

126 Institute of Place Management ([PDR0043](#))

127 Tesco ([PDR0084](#))

128 [Qq128–133](#)

129 [Q3](#) [Mark Worringham]; [Q96](#) [Sarah Bevan, Dr Clifford]

130 [Q124](#)

131 [Letter from the Minister for Housing to the Chair dated 30 June 2021 concerning the Minister’s appearance before the Committee on 16 June in connection with the inquiry into Permitted Development Rights](#)

town commercial and business premises from being converted to retail without having first gone through the sequential test and to prevent the loss of medical centres through change of use within the new use class E.

New class MA permitted development right

51. As discussed, the new class MA right permits any use class E premises to convert to residential use. The objective is to increase the supply of new housing on brownfield sites and boost footfall on high streets and town centres. It was acknowledged in evidence that changing consumer habits, dating back many years but accelerated by the pandemic, had resulted in an oversupply of retail floorspace on the high street. According to the BRC, even before the pandemic, there was an estimated oversupply of 20% across the UK, although consequent on this will be some increased demand for logistics and warehouse space.¹³² It was acknowledged that the amount of surplus retail floorspace would only increase and that some of it should therefore convert to housing.¹³³ The DCN acknowledged “the role to play for retail to convert to residential in some instances, in line with shifting economic trends”.¹³⁴

52. Clifford, Ferm, Livingstone and Canelas said there had been “some positive reuse of vacant and under-occupied commercial space through conversion to residential”.¹³⁵ As Policy Exchange explained, permitted development can help to prevent retail and office space from staying derelict for long periods.¹³⁶ Mark Worringham from Reading Council said encouraging people to come back to live in town centres was “a fundamental part” of Reading Council’s planning policy but that it could be done, and had long been done, through the full planning application process.¹³⁷ Ian Fletcher from the BPF also supported residential development in town centres but said it should be done through the planning system.¹³⁸

53. London YIMBY and PricedOut said the changes would “allow local areas to respond dynamically and help to prevent the death of high streets by bringing new footfall into the area” and that businesses “require footfall, which requires people”. It continued:

PDR allows property owners to convert their properties to the most in-demand form of use; whether that is a different commercial use, or residential use. In the case of high streets with empty commercial properties, converting some to residential uses would not only provide much-needed homes, it would increase footfall in the area and support other shops and commercial uses, maintaining the viability of high streets and helping move towards the concept of a “15-minute city”.¹³⁹

132 British Retail Consortium ([PDR0087](#))

133 District Councils’ Network ([PDR0017](#)); Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

134 District Councils’ Network ([PDR0017](#))

135 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

136 Policy Exchange ([PDR0068](#))

137 [Q23](#)

138 [Q30](#)

139 London YIMBY, PricedOut ([PDR0048](#))

54. The majority of submissions argued strongly, however, that the new right would not increase footfall overall or revitalise high streets and town centres.¹⁴⁰ Tim Frost, a chartered surveyor, said the new PDR betrayed “a complete lack of understanding as to how badly some town centres will be damaged by adopting a one-size-fits-all policy nationwide”.¹⁴¹ The Highgate Society said the Government were “grievously mistaken”.¹⁴² The LGA said the Government had provided no evidence that PDR would “achieve their intended goal to support business and stimulate a sustainable economic recovery and/or growth” and that it was a hasty response to declining footfall.¹⁴³ The ATCM, which supported the new use class, described the new PDR as “a blunt instrument” that would “undermine the viability of town centres”.¹⁴⁴

55. Many feared the new right could result in landlords forcing out viable businesses that would themselves have attracted more footfall than the residential units that replaced them.¹⁴⁵ Crucial to this point is the condition that a property have been vacant for at least three continuous months before the new right applies. Much of the evidence argued that three months was not long enough to protect viable businesses.¹⁴⁶ London Councils said it risked “a disruptive free-for-all, with short-term financial considerations deciding the future use of vacant high street buildings, damaging the fabric and coherence of our town centres”.¹⁴⁷ The ATCM said the three-month rule was insufficient and that the new right would “create a licence for the eviction of businesses in favour of residential”.¹⁴⁸ Ojay McDonald, its CEO, said three months would “not be long enough” as when property owners “think about the value of their asset, they are thinking...decades down the line”, and that they could easily “bear the pain of a property that is empty three months before they are able to flip it to housing”.¹⁴⁹

56. The IPM agreed it would be too easy to force out tenants and that there should be a test to prove that a property had been “legitimately” vacant for three months.¹⁵⁰ Matthew Davis, Head of Membership at the IPM, said the three-month rule was “a particular concern” and that it was “one thing having a premises vacant and neglected for a decade” but “quite another thing for it to be vacant for just three months”. He also said the IPM was “hearing stories” from its members of landlords “looking to position” themselves and “bringing leases to an end prematurely”.¹⁵¹ Dr Clifford from the Bartlett School of Planning said the three-month rule could be “easily circumvented” and that landlords could “artificially create a vacancy”.¹⁵²

140 British Retail Consortium ([PDR0087](#)); Local Government Association ([PDR0023](#)); Association of Town and City Management ([PDR0039](#)); London First ([PDR0044](#)); Reading Borough Council ([PDR0022](#)); Town and Country Planning Association ([PDR0024](#)); Dolphin Living ([PDR0011](#)); The Highgate Society ([PDR0069](#)); London Property Alliance ([PDR0071](#)); District Councils' Network ([PDR0017](#)); Tim Frost ([PDR0097](#)); Royal Town Planning Institute ([PDR0037](#)); London Councils ([PDR0021](#))

141 Tim Frost ([PDR0097](#))

142 The Highgate Society ([PDR0069](#))

143 Local Government Association ([PDR0023](#))

144 Association of Town and City Management ([PDR0039](#))

145 [Q13](#); [Q24](#) [Mark Worringham]; [Q35](#) [James Wickham]; [Q74](#) [Matthew Davis]

146 London Councils ([PDR0021](#)); Association of Town and City Management ([PDR0039](#)); Institute of Place Management ([PDR0043](#)); London First ([PDR0044](#)); Reading Borough Council ([PDR0022](#)); Sevenoaks District Council ([PDR0076](#))

147 London Councils ([PDR0021](#))

148 Association of Town and City Management ([PDR0039](#))

149 [Q72](#)

150 Institute of Place Management ([PDR0043](#))

151 [Q72](#)

152 [Q97](#)

57. This was a particular concern in areas with higher house prices, such as the south and London, where, as the ACS put it, commercial property “often becomes more valuable when converted to domestic use.”¹⁵³ In these areas, landlords and developers will have a particular incentive, even where a property is not vacant, to force out businesses and wait for three months. London First agreed that, although the new right was “intended to address surplus vacant commercial properties”, the higher value attached to housing could create the “unintended consequence” that “viable businesses are ousted in favour of a residential conversion” as the three-month vacancy rule was not enough to dissuade “unscrupulous landlords” from forcing out viable businesses.¹⁵⁴

58. As Mark Worringham from Reading Council explained, the argument that residential conversions bring people back into town centres and so increase footfall only holds if the premises are no longer viable as successful businesses. Permitted development might bring “some people into the town centre, but it probably results in the loss of an awful lot more people who would have come to use those facilities.”¹⁵⁵ Similarly, James Wickham from the London Property Alliance explained that many of the uses that now sit in class E, and which are therefore caught by the new class MA right, are precisely the uses that make town centres attractive places to visit.¹⁵⁶ The BRC, a mouthpiece of the retail sector, concluded:

Unplanned conversion of high street uses to residential therefore risks making the remaining commercial units less viable as fewer shoppers will be willing to walk to them. While this will be somewhat offset by the footfall generated by the occupants of the new homes, it is unlikely to be enough to fully compensate for the impact of the conversion.¹⁵⁷

59. Also on the question of footfall, Matthew Davis from the IPM said:

One of the fundamental areas of disagreement we have with the proposals is the assumption that randomly introduced housing on a high street will lead to some kind of growth in footfall or economically for the area. We just do not see that. There are well acknowledged concepts borne out by examples across the country where you start to break up that agglomeration of activity in town centres, it breaks up that experience and you get a spiral in the wrong direction.¹⁵⁸

60. We were told that if town centres and high streets were to survive and thrive, commercial activity needed to be concentrated in the centre, through a process of agglomeration, and ground-floor premises in particular needed to be retained. We were also told, however, that permitted development threatened the integrity of this core area of business activity.¹⁵⁹ London First said that “allowing the market to pepper-pot housing

153 ACS (The Association of Convenience Stores) ([PDR0083](#)); Association of Town and City Management ([PDR0039](#)); London Property Alliance ([PDR0071](#)); London First ([PDR0044](#)); ACS (The Association of Convenience Stores) ([PDR0083](#)); [Q35](#) [James Wickham]; London Councils ([PDR0021](#)); Mayor of London ([PDR0095](#))

154 London First ([PDR0044](#))

155 [Q13](#); [Q24](#)

156 [Q35](#)

157 British Retail Consortium ([PDR0087](#))

158 [Q74](#)

159 [Q33](#) [James Wickham]; [Q34](#) [Ian Fletcher]; London First ([PDR0044](#)); Institute of Place Management ([PDR0043](#)); Historic England ([PDR0057](#)); London Forum of Amenity and Civic Societies ([PDR0082](#)); Levitt Bernstein ([PDR0008](#)); District Councils' Network ([PDR0017](#));

on an ad hoc basis in high streets and town centres that are already struggling will break up active frontages and further dilute their vibrancy and commercial success.”¹⁶⁰ The London Borough of Islington said the new right would result in “evictions and vacancies” and reduce the “economic benefits of agglomeration”.¹⁶¹ The BRC said it risked “creating commercial locations that are less concentrated, less compact, and less navigable by customers than if high street uses were contiguous” and that customers were “less likely to walk past dispersed and ‘gap toothed’ shopping locations than ones where shops are in a row”.¹⁶²

61. James Wickham from the London Property Alliance warned that the new class MA right could result in “pepper-potting of residential...across a wide swathe of city centre locations”.¹⁶³ Mark Worringham from Reading Council said there was “definitely a distinction between people living over the shops and “converting the ground floor into residential”, as the new class MA right would allow, and “eating away at and hollowing out high streets.”¹⁶⁴ Ian Fletcher from the BPF told us high streets needed “unbroken retail frontage” but that PDRs tended “to cut across that”.¹⁶⁵ Norwich City Council, Norwich BID and VisitNorwich, and the ATCM said the focus should be on converting upper-floor premises to residential use.¹⁶⁶ The Kensington Society thought change of use to residential at ground-floor level was “not likely to have a large take-up.”¹⁶⁷

62. We support the Government’s aim of revitalising our high streets and town centres, but we are concerned that the new class MA right could undermine attempts to do so. The current requirement that properties need only have been vacant from three months could put viable businesses at risk of being evicted by landlords seeking a profit from residential conversions. This resulting loss of businesses could have a negative effect on footfall. As we heard repeatedly, a viable business will attract more footfall than a residential conversion. We cannot see how footfall will be boosted if high street shops, which serve local workers and visitors, are replaced by flats. That being said, we acknowledge that there may be merit in converting upper floors of properties on the high street. We are also concerned that the protection for ground-floor premises in the prior approval process applies only in conservation areas.

63. The Government should either extend the vacancy period or devise a test that can be applied to properties to make sure they are not still viable as class E premises. It should consider the most appropriate vacancy period or test as part of the review of PDRs for change of use to residential. We also recommend the Government amend the prior approval process for the class MA right so that councils, in deciding whether to approve development, can consider the impact of a loss of ground-floor commercial, business and service use on the sustainability of a town centre or high street.

160 London First ([PDR0044](#))

161 London Borough of Islington ([PDR0055](#))

162 British Retail Consortium ([PDR0087](#))

163 [Q32](#)

164 [Q23](#)

165 [Q34](#)

166 Norwich BID, VisitNorwich ([PDR0036](#)); Association of Town and City Management ([PDR0039](#)); [Q77](#) [Ojay McDonald]

167 Kensington Society ([PDR0085](#))

5 Housing

The contribution of PDR to increasing housing supply

64. Since 2013, successive Governments have argued that permitted development rights “make a significant contribution towards housing delivery”.¹⁶⁸ This has generally been the principal policy objective of all the residential PDRs, including the new class MA right. The Government says that in the five years to March 2020 change-of-use PDRs created 72,687 new homes. It also argues they make the best use of existing buildings and reduce the need to build on greenfield sites.¹⁶⁹

65. The evidence mostly agreed that residential PDRs had increased housing supply. According to Policy Exchange, PDR “has created tens of thousands of new homes, especially in areas like London where the UK’s housing shortage is most acute.”¹⁷⁰ London YIMBY and PricedOut said it was “an important way for developers to contribute to meeting the unmet need for homes” and that it had made a “substantial” contribution to housing supply.¹⁷¹ The CLA told us that in rural areas “the impact of PDR on the...quantity of new housing” had been “hugely beneficial” and that the class Q right, permitting change of use from agricultural to residential, alone had created 2,316 new homes.¹⁷² Less enthusiastically, Clifford, Ferm, Livingstone and Canelas said there had been “some increase in housing delivery”, the BPF that it had made a “modest contribution”.¹⁷³ It was also recognised that, whatever the contribution, the new use class MA right would increase the number of premises available for conversion and probably, therefore, the amount of housing delivered through that route.¹⁷⁴

66. The question of permitted development’s past contribution to housing supply is complicated by the possibility that some of the new housing would have been built anyway.¹⁷⁵ Reading Council told us that since 2013 some 1,040 new homes had been delivered in Reading through PDR. It said this might seem like “a major contribution” but insisted it was “not necessarily as straightforward as that”. Since residential conversions “had been taking place in Reading for many years” prior to 2013, it thought some of the PDR conversions might have happened anyway and that developers might have opted for “easy wins” under permitted development. In the ten years before 2013, on average 665 new dwellings were delivered each year, whereas between 2013 and 2020, on average 656 new dwellings were delivered each year. It said that, whilst “this latter figure may have been lower without PDR, it is not possible to know this for certain, and it does therefore cast some doubt as to whether PDR has actually boosted overall housing supply, in Reading at least.”¹⁷⁶

67. Shelter agreed it was “difficult to accurately establish” how much additional housing PDR supplied and said it was “implausible” to claim that none of the additional housing

168 [The Town and Country Planning \(General Permitted Development etc.\) \(England\) \(Amendment\) Order 2021](#), para 7.6

169 MHCLG, [Supporting housing delivery and public service infrastructure](#), para 10

170 Policy Exchange ([PDR0068](#))

171 London YIMBY, PricedOut ([PDR0048](#))

172 CLA ([PDR0027](#))

173 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); British Property Federation ([PDR0007](#))

174 NALC ([PDR0006](#))

175 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); [Q14](#) [Rachel Blake, Mark Worringham]

176 Reading Borough Council ([PDR0022](#))

would have been delivered without PDR.¹⁷⁷ Michael Fearn, a planning consultant, described as “a myth” the Government’s claim that PDR was a major source of housing.¹⁷⁸ Ian Fletcher from the BPF told us that PDR accelerated some housing but that much of it would get built anyway with full planning permission and that whether it made “a great deal of difference in the long run” was “more open to question”.¹⁷⁹

68. In oral evidence, the Minister described the 72,000 houses delivered through PDR in the five years to March 2020 as “significant additionality” and pointed out that it equated to “between 12% and 14%” of the half a million homes built overall during the same period. Simon Gallagher, explaining that in 2016-17 some 10% of all new housing was delivered through PDR, called it a “material contribution”.¹⁸⁰ The Minister did not answer the question about whether PDRs had diverted resources away from other housing development.¹⁸¹

Quality of housing

69. The poor quality of some housing produced under permitted development is one of the longest-standing complaints about the post-2013 changes.¹⁸² In response to these legitimate criticisms, the Government commissioned academics from the Bartlett School of Planning, University College London, to undertake an independent review. Their report, published in 2020, concluded that housing built under permitted development tended to be of worse quality than that built with full planning permission. In particular, it found that PDR housing was more likely to not meet space and light standards, to have less private outdoor amenity space and to be located in commercial areas. In many other areas, however, including access to transport, services and green space, it found little difference overall.¹⁸³ Much of the evidence to our inquiry referenced the report’s findings. In addition, we heard concerns about the mix of dwelling type and tendency of PDR housing to be used as temporary accommodation for homeless and vulnerable families and individuals.

70. The quality of housing was among the most cited criticisms of the entire permitted development regime.¹⁸⁴ Clifford, Ferm, Livingstone and Canelas described the “extremely poor quality” of the housing as “a national scandal”.¹⁸⁵ The LGA told us that, according to a survey it conducted in 2018, 92% of councils were moderately or very concerned about the quality and design of PDR housing and 89% were moderately or very concerned about the

177 Shelter ([PDR0078](#))

178 Mr Michael Fearn (Consultant at MFS Professional Limited) ([PDR0002](#))

179 [Q48](#)

180 [Qq158–160](#) [Christopher Pincher, Simon Gallagher]

181 [Q160](#)

182 Town and Country Planning Association, [Planning 2020: Raynsford Review of Planning in England](#), (November 2018); Royal Institution of Chartered Surveyors, [Assessing the impacts of extending permitted development rights to office-to-residential change of use in England](#), (May 2018)

183 MHCLG, [Research into the quality standard of homes delivered through change of use permitted development rights](#), (July 2020); the academics who wrote the report also submitted evidence to the inquiry, and one of them, Dr Ben Clifford, gave oral evidence

184 Town and Country Planning Association ([PDR0024](#)); [Q8](#) [Rachel Blake]; London Councils ([PDR0021](#)); Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); District Councils’ Network ([PDR0017](#)); Shelter ([PDR0078](#)); Association of Town and City Management ([PDR0039](#)); Levitt Bernstein ([PDR0008](#)); Reading Borough Council ([PDR0022](#)); Local Government Association ([PDR0023](#)); Land Promoters and Developers Federation ([PDR0096](#)); Tonbridge & Malling Borough Council ([PDR0030](#)); Crawley Borough Council ([PDR0062](#))

185 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

appropriateness of its location.¹⁸⁶ It also highlighted the impact of poor-quality housing on mental wellbeing and its consequent role in exacerbating health inequalities.¹⁸⁷ Shelter told us about the “devastating impact on the wellbeing and health of families” living in substandard accommodation.¹⁸⁸ The Mayor of London said permitted development had “demonstrated a clear inability to deliver high-quality well-designed homes”.¹⁸⁹

Space and natural light

71. In their evidence to our inquiry, Clifford, Ferm, Livingstone and Canelas, the authors of the 2020 report, as well as the 2018 RICS report on the same subject, summarised their findings on space and natural light.¹⁹⁰ In 2018, they found just 30% of PDR units would have met the nationally described space standards, compared with 94% of planning permission units, and in 2020 they found just 22% would have met the same standards, compared with 73% of planning permission units. They also found that PDR units were usually well below those standards (sometimes 15 or 16 sq m), whereas planning permission units, where they were below the standard, were often only just below. On provision of natural light, in 2020 they found that 72% of PDR units had only single-aspect windows, compared with 29.5% of those created through planning permission, and that some appeared to have no windows at all. They also found that, owing to the nature of the conversions, many units had strangely shaped internal layouts with “very little natural light penetration to the main habitable area”.¹⁹¹ In response to the 2020 report, the Government included the provision of “adequate natural light in all habitable rooms” in the list of prior approval for the class MA right and amended the 2015 Order to require that all homes built under permitted development meet nationally described space standards.¹⁹²

72. The evidence generally welcomed the new space and light standards, although Clifford, Ferm, Livingstone and Canelas criticised the light standard for not mandating windows. As worded, the requirement can be met through the provision of skylights or lightwells. Whilst this may ensure adequate natural light, they said not having a window “through which one can look out” was “damaging for mental health” and had “potential ventilation issues”.¹⁹³ Under the “adequate natural light” condition, councils could deny approval for units without windows, but they would not be required to. Mark Worringham also told us that one of Reading Council’s neighbouring authorities had concerns about the lack of windows and “potential modern slavery implications”.¹⁹⁴

186 London Councils ([PDR0021](#))

187 Local Government Association ([PDR0023](#)); the point about mental wellbeing was made by others, including District Councils’ Network ([PDR0017](#)); Hertfordshire Infrastructure & Planning Partnership ([PDR0088](#)); Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

188 Shelter ([PDR0078](#))

189 Mayor of London ([PDR0095](#))

190 MHCLG, [Research into the quality standard of homes delivered through change of use permitted development rights](#), (July 2020); RICS, [Extending permitted development rights in England: the implications for public authorities and communities](#), (May 2018)

191 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

192 [The Town and Country Planning \(Permitted Development and Miscellaneous Amendments\) \(England\) \(Coronavirus\) Regulations 2020](#); [The Town and Country Planning \(General Permitted Development\) \(England\) \(Amendment\) Regulations 2020](#)

193 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); [Q105](#) [Clifford]

194 [Q10](#)

Amenity and outdoor space

73. In their 2018 RICS report, Clifford, Ferm, Livingstone and Canelas said they found just 14% of the PDR units benefitted from access to private or communal amenity space, such as a roof terrace, garden area or balcony. In 2020, they found that just 3.5% of the PDR units benefitted from access to private amenity space, compared with 23% of the planning permission units.¹⁹⁵ The lack of outdoor amenity space was repeatedly raised as a concern in the evidence.¹⁹⁶ Rachel Blake from the LGA said thought should be given to “the families who will be moving into these spaces and the impact on those families of not having play space or open space, which you would have to consider if you were to go through a full planning application process.”¹⁹⁷ Mark Worringham from Reading Council said that, whilst natural light and space had been addressed, outdoor amenity space remained a concern.¹⁹⁸

Inappropriate location

74. The ability of PDR housing to be located in inappropriate locations, such as industrial parks, was another source of particular concern.¹⁹⁹ According to Clifford, Ferm, Livingstone and Canelas, PDR conversions are eight times more likely than residential developments built with full planning permission to be located in primarily commercial areas, such as business parks, and primarily industrial areas.²⁰⁰ Crawley Borough Council had “strong concerns” about “the quality of homes provided and in turn the quality of life for occupiers given the location of many PDR schemes in industrial locations”. It said these areas were “simply not appropriate locations for residential use” as they were subject, day and night, “to business noise, fumes, vibrations, and vehicular movements, including from heavy goods vehicles which can create significant safety risks for pedestrians”. As the council explained, however, “unless there is a specific business noise issue” the inappropriateness of such areas cannot be used as a reason for refusing an application for prior approval. It concluded: “These locations generally have no facilities for residents, and are often at considerable distance, severed by major roads, from supporting community facilities, shops etc., and some have only limited public transport connectivity.”²⁰¹

Housing mix

75. We also heard that permitted development did not produce the right mix of housing.²⁰² In particular, it tends to result in more one-bedroom and studio flats and not enough family units. In their 2020 report, Clifford, Ferm, Livingstone and Canelas found that 69% of PDR units were one-bedroom or studio flats, compared with 44% of

195 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

196 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); Reading Borough Council ([PDR0022](#)); Local Government Association ([PDR0023](#)); District Councils' Network ([PDR0017](#)); The London Borough of Hillingdon ([PDR0020](#)); London Councils ([PDR0021](#)); East Riding of Yorkshire Council ([PDR0031](#))

197 [Q8](#)

198 [Q10](#)

199 London Councils ([PDR0021](#)); Reading Borough Council ([PDR0022](#)); Shelter ([PDR0078](#)); [Q42](#) [Ian Fletcher]; Tonbridge & Malling Borough Council ([PDR0030](#)); British Property Federation ([PDR0007](#)); Local Government Association ([PDR0023](#)); Royal Town Planning Institute ([PDR0037](#)); London Borough of Bromley ([PDR0051](#)); South East Strategic Leaders (SESL) ([PDR0060](#)); [Q10](#) [Mark Worringham]; Crawley Borough Council ([PDR0062](#))

200 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

201 Crawley Borough Council ([PDR0062](#))

202 London First ([PDR0044](#)); Reading Borough Council ([PDR0022](#)); Local Government Association ([PDR0023](#)); [Q8](#) [Rachel Blake]; Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); Mayor of London ([PDR0095](#))

planning permission units.²⁰³ We heard how this oversupply of smaller homes could lead to overcrowding and poor health outcomes.²⁰⁴ London First criticised the original 2013 right for not requiring a unit mix, which resulted in developments that sought “to maximise the number of small units rather than address local housing need for large and family-sized accommodation”.²⁰⁵ Rachel Blake from the LGA said that increasing housing delivery through PDR, “without the ability to pursue a tenure mix with a larger number of homes for families”, raised equalities issues.²⁰⁶ Reading Council told us that 83% of new dwellings in Reading delivered through permitted development had been one-bedroom or studio flats and that this did not match the council’s identified housing need.²⁰⁷ The Mayor of London said permitted development could not “deliver the tenure and size of homes required to meet Londoners’ needs”.²⁰⁸

76. We also heard from several groups and individuals concerned about the class L right, which permits changes of use from C3 (dwellinghouses) to C4 (small houses in multiple occupation) and vice versa.²⁰⁹ A small HMO is defined as a shared house occupied by between three and six unrelated people. According to the National HMO Lobby, HMOs tend to congregate in particular areas, especially places with high student populations, and can result in “imbalanced and unsustainable communities”. Highfield Residents Association said HMOs had the “capacity to significantly change and unbalance the character of settled residential areas”. As a result, both argued that the class L right should be amended to cover only conversions from C4 to C3.²¹⁰ The Moseley Society and Moseley Regeneration Group pointed out that the new class MA right will mean that any use class E premises could ultimately be converted to an HMO.²¹¹

Use as temporary accommodation

77. Some of the evidence expressed particular concern about vulnerable and homeless families and individuals ending up in poor-quality homes converted under PDRs.²¹² The RTPi said there had been “a tendency for the very worst conversions, such as Terminus House in Harlow, to end up being occupied by large families in difficult circumstances.”²¹³ Shelter also highlighted the case of Terminus House.²¹⁴ John Bibby, Policy Manager at Shelter, listed several other buildings being used as temporary accommodation.²¹⁵ The London School of Economics said the fact that “many PDR properties end up as temporary

203 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

204 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); District Councils’ Network ([PDR0017](#)); London Councils ([PDR0021](#)); Shelter ([PDR0078](#))

205 London First ([PDR0044](#))

206 [Q8](#)

207 Reading Borough Council ([PDR0022](#))

208 Mayor of London ([PDR0095](#))

209 National HMO Lobby ([PDR0009](#)); Highfield Residents Association ([PDR0013](#)); Heathdene Area Residents Group ([PDR0019](#)); Nottingham Action Group on HMOs ([PDR0028](#)); The Moseley Society, Moseley Regeneration Group ([PDR0029](#)); Mr Colin Quinney ([PDR0040](#)); Mrs Elizabeth Gates ([PDR0049](#));

210 National HMO Lobby ([PDR0009](#)); Highfield Residents Association ([PDR0013](#))

211 The Moseley Society, Moseley Regeneration Group ([PDR0029](#))

212 District Councils’ Network ([PDR0017](#)); Shelter ([PDR0078](#)); Royal Town Planning Institute ([PDR0037](#)); LSE London, London School of Economics ([PDR0079](#)); Local Government Association ([PDR0023](#))

213 Royal Town Planning Institute ([PDR0037](#))

214 Shelter ([PDR0078](#))

215 [Q22](#)

accommodation” reflected “their relatively low standards”.²¹⁶ The LGA said: “Substandard and poorer quality homes developed through PDR are more likely to be used to house vulnerable people such as those in temporary accommodation.”²¹⁷

Trade-off between quantity and quality

78. Whatever its actual contribution, most of the evidence argued that, given the concerns about quality, PDR was an inappropriate means of trying to boost housing delivering.²¹⁸ East Riding of Yorkshire Council said its “long term success is questioned when the overall quality is low and the locality impractical”.²¹⁹ John Bibby said Shelter was “completely against the idea” of ever using permitted development to deliver new homes.²²⁰ Mark Worringham from Reading Council said any development that results in new dwellings should be covered by a full planning application.²²¹ Likewise, the DCN told us that “full planning permission should be required if we are to achieve quality, long-lasting, sustainable, and healthy communities”.²²² South East Strategic Leaders said PDR was “not a solution to the housing crisis”.²²³

79. A minority of those who submitted evidence disagreed and argued that the housing shortage was so acute that anything that delivered more homes should be welcomed, even if this meant accepting homes of a lower quality. London YIMBY and PricedOut suggested that some of those complaining about substandard homes might be crying “crocodile tears” and simply did not want “people on low incomes living near them”.²²⁴ John Myers, representing the YIMBY Alliance and PricedOut, whilst admitting that the number of new homes was “not enormous”, pointed out that every “small office...converted into a home” was “a home somebody can live in” and that we “should not completely neglect the homes being created”.²²⁵ The Adam Smith Institute said MHCLG was right “to allow the rapid repurposing of commercial real estate into residential” and thought there was “scope to go further”.²²⁶ Policy Exchange suggested that people should be allowed to live in small flats if that was the best option available to them and that the “fundamental solution” was “expanding the supply of good homes, so that small and dark flats are no longer anyone’s best option”. That said, it did accept that in the meantime it “may well be appropriate” to apply minimum standards.²²⁷

80. When compared to the overall number of new homes being delivered, it appears that permitted development rights have made a contribution to the supply of new homes, although the precise number is difficult to calculate given the likelihood that some of these homes would have been built anyway. It also seems likely that the new class MA right will increase its contribution further. Given the acute housing shortage

216 LSE London, London School of Economics ([PDR0079](#))

217 Local Government Association ([PDR0023](#))

218 Town and Country Planning Association ([PDR0024](#)); London Councils ([PDR0021](#)); East Riding of Yorkshire Council ([PDR0031](#)); [Q2](#) [Mark Worringham, John Bibby]; District Councils’ Network ([PDR0017](#)); Local Government Association ([PDR0023](#)); South East Strategic Leaders (SESL) ([PDR0060](#)); Mayor of London ([PDR0095](#))

219 East Riding of Yorkshire Council ([PDR0031](#))

220 [Q2](#)

221 [Q2](#)

222 District Councils’ Network ([PDR0017](#))

223 South East Strategic Leaders (SESL) ([PDR0060](#))

224 London YIMBY, PricedOut ([PDR0048](#))

225 [Q74](#)

226 Adam Smith Institute ([PDR0074](#))

227 Policy Exchange ([PDR0068](#))

in this country, we welcome this additional housing, but we have serious concerns that some of these homes are of poor quality and that some of the people living in them do not have the option of living elsewhere. All new homes delivered through PDR must be truly fit for purpose and suitably located. A flat on an industrial estate is totally unsuitable for young children.

81. *As already recommended, the Government should pause any further extensions of permitted development, including the new class MA right, which is due to take effect on 1 August, and conduct a review of all PDRs for change of use to residential. As part of this review, it should consider how to extend prior approval without also adding to the burden on local authorities. In particular, we recommend that local authorities be able to prevent the siting of homes in inappropriate locations, such as business and industrial parks. Among other amendments to prior approval, the Government should consider the following:*

- *requiring the installation of windows (rather than just skylights) as part of the requirement for adequate natural light;*
- *requiring the provision of outdoor private or communal amenity space; and*
- *enabling local authorities to require that overall the housing delivered through PDRs contributes a mix of housing types that fits with their own assessment of housing need in their area.*

Section 106 agreement and the Community Infrastructure Levy

82. It has long been an accepted part of the planning system that the impact of large-scale development on local communities needs to be mitigated through the provision of additional infrastructure and affordable housing. As Policy Exchange explained, “inflows of people to a locality can lead to a strain on local services”, as it “takes time for local services to expand in response”. Sudden increases in population can place a particular burden on the NHS and schools.²²⁸ For this reason, LPAs can secure contributions from developers to mitigate the impact of development through Section 106 agreements and the Community Infrastructure Levy (CIL). Section 106 agreements, otherwise known as developer contributions, are agreed between LPAs and developers before planning permission is granted and can be used to require developers to provide or pay for a certain number of affordable homes or infrastructure.²²⁹ CIL is a fixed charge levied on the floorspace of new development and secures infrastructure that addresses the cumulative impact of development in an area. It is not mandatory for LPAs and levy rates are discretionary and established by assessments of infrastructure need and viability.²³⁰

83. In practice, permitted development is usually exempt from all developer contributions and CIL. As Clifford, Ferm, Livingstone and Canelas told us, it is “generally accepted” that

228 Policy Exchange ([PDR0068](#)); London Councils ([PDR0021](#)); Local Government Association ([PDR0023](#)); Heathdene Area Residents Group ([PDR0019](#)); Crook, Goodstadt, Whitehead; Henneberry, Gallent, Morphet, Carmona, Wong, Tait and Parker ([PDR0072](#));

229 Most Section 106 agreements are for affordable housing. In 2018, MHCLG published a survey of LPAs on the number of planning obligations agreed or delivered in the 2016-17. It found that developers’ agreed contributions for affordable housing totalled an estimated £4 billion in 2016-17, which represented 80% of the value of all Section 106 agreements. See: MHCLG, [The Incidence, Value and Delivery of Planning Obligations and Community Infrastructure Levy in England in 2016-17](#)

230 MHCLG, [Community Infrastructure Levy](#), (16 November 2020)

Section 106 agreements “cannot be negotiated” for permitted development, although they noted a few exceptions to this rule in London.²³¹ In principle, permitted development is liable for CIL, but if no additional floorspace is created and the developer can prove the building was at least partially occupied in six months of the previous three years, they are exempt. In effect, this means that almost all permitted development schemes avoid paying CIL.²³²

84. The effective exclusion of permitted development from developer contributions was repeatedly cited as among the most serious defects of the permitted development regime.²³³ Clifford, Ferm, Livingstone and Canelas said PDR had “introduced large numbers of new residents to areas, putting strain on social infrastructure”, sometimes in “areas of towns that did not previously have high resident populations” and which lacked green and outdoor play space. In a 2018 study, they calculated the cost of proper provision for areas affected by PDR could be £27.5 million in five case study local authorities.²³⁴ Reading Council said it had “potentially missed out on £2.17 million towards education and open space infrastructure”.²³⁵ Brighton and Hove City Council pointed out that the new class MA right would “likely result in significant additional infrastructure requirements” and so exacerbate the problem unless made liable for developer contributions.²³⁶ On the other hand, Mark Tufnell, Deputy President of the CLA, called the loss of developer contributions “a price worth paying”.²³⁷

85. The loss of affordable housing was a source of particular concern.²³⁸ The LGA estimated that 16,200 affordable homes could have been lost in the last five years as a result of the exemption.²³⁹ Mark Worringham from Reading Council said the loss of affordable housing was “one of Reading’s biggest concerns with permitted development”. He said the majority of new housing in Reading needed to be affordable if it was to satisfy its assessed need but that permitted development was “taking a big chunk out of play”. Reading had estimated it could have secured up to 600 affordable homes since the office-to-residential right was introduced, which would have met 18 months of affordable housing need. It had also lost £3.6 million in financial contributions that could have been put towards council housing.²⁴⁰ James Wickham from the London Property Alliance said it was “a concern” that housing built under PDR had not in the past contributed to affordable housing.²⁴¹ John Bibby from Shelter said:

231 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

232 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

233 [Q6](#) [Mark Worringham]; [Q52](#) [James Wickham, Ian Fletcher]; Dolphin Living ([PDR0011](#)); District Councils’ Network ([PDR0017](#)); Reading Borough Council ([PDR0022](#)); Local Government Association ([PDR0023](#)); Mayor of London ([PDR0095](#)); Clifford, Ferm, Livingstone and Canelas ([PDR0046](#)); London Councils ([PDR0021](#)); East Riding of Yorkshire Council ([PDR0031](#)); Brighton & Hove City Council ([PDR0035](#)); London First ([PDR0044](#)); Tunbridge Wells Borough Council ([PDR0054](#)); Policy Exchange ([PDR0068](#)); London YIMBY, PricedOut ([PDR0048](#)); South East Strategic Leaders (SESL) ([PDR0060](#))

234 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

235 Reading Borough Council ([PDR0022](#))

236 Brighton & Hove City Council ([PDR0035](#))

237 [Q53](#)

238 [Q14](#) [Rachel Blake]; [Q52](#) [James Wickham]; Dolphin Living ([PDR0011](#)); District Councils’ Network ([PDR0017](#)); London Councils ([PDR0021](#)); Reading Borough Council ([PDR0022](#)); Local Government Association ([PDR0023](#)); Shelter ([PDR0078](#))

239 [Q14](#) [Rachel Blake]; Local Government Association ([PDR0023](#))

240 [Q21](#)

241 [Q52](#)

Fundamentally, the most serious shortage of housing that we have in the country is the shortage of social rented homes, to which permitted development is not contributing anything, and it is in fact taking away affordable housing contributions. We do not see this as being something that is contributing in a meaningful way to the delivery of the right kind of new homes.²⁴²

86. In its report, *Building more social housing*, our predecessor Committee said it remained “concerned about the lack of affordable housing obligations” and that without reforms “it is likely the planned expansion” of permitted development “will further reduce the delivery of social housing through the planning system.”²⁴³

Proposed new Infrastructure Levy

87. The recent White Paper, *Planning for the future*, proposes a new consolidated Infrastructure Levy that would replace both CIL and planning obligations and which could be extended to capture “some permitted development rights including office to residential conversions and new demolition and rebuild permitted development rights.”²⁴⁴

88. Much of the evidence, whilst supporting the principle of including permitted development within the new Infrastructure Levy, was concerned about the timing of its introduction. John Bibby from Shelter feared it looked like “jam tomorrow” while the Government continued “to extend permitted development rights today”. He said no one knew when it would be introduced, what it would look like and how many new affordable homes it would deliver.²⁴⁵ Dr Clifford from the Bartlett School of Planning said it was “welcome” and would go “some way to addressing the problem” but had concerns about the rate it would be charged at and “how many more permitted development conversions to residential we might see before we actually have that implemented.”²⁴⁶ Sarah Bevan from London First welcomed the idea of the levy but called it “the least developed part of...what was quite a sketchy White Paper” and feared it might be “watered down”. Like Dr Clifford, she worried that “in the meantime, we are missing out on so many potential affordable homes” and “developer contributions to physical and social infrastructure”.²⁴⁷ Clifford, Ferm, Livingstone and Canelas said the Government should amend regulations “urgently” to require planning contributions for all PDR conversions, instead of waiting for the new Infrastructure Levy to be implemented.²⁴⁸

89. The Minister told us the Department had no plans to introduce the Infrastructure Levy before the Planning Bill and that, as part of the consultation, it was “looking to see whether PDR development could be part of the Infrastructure Levy”. He said the Department was “still working through the proposals...to make sure they work” but that he was “very keen” to make sure they delivered “at least as much affordable property, as well as infrastructure, as the present system”. When asked if changes would be made as part of the upcoming planning reforms, he said we would “not have to wait long” to hear the proposals.²⁴⁹

242 [Q15](#)

243 Housing, Communities and Local Government Committee, Third Report of the Session 2019-21, [Building more social housing](#), HC173, para, 103

244 [Planning for the Future](#), p. 64

245 [Q22](#)

246 [Q106](#)

247 [Q107](#)

248 Clifford, Ferm, Livingstone and Canelas ([PDR0046](#))

249 [Qq175-178](#)

90. **Housing delivered under permitted development can have as great an impact on local infrastructure and the delivery of services as housing built through the full planning process. It should therefore contribute to the cost of offsetting its negative impact. The loss of affordable housing is a particularly unfortunate consequence of its effective exemption from Section 106 agreements and the Community Infrastructure Levy. We welcome the idea of the proposed new Infrastructure Levy covering permitted development, but we are concerned about the lack of detail and of a clear timetable for its introduction.**

91. *Whatever the Government's long-term plans for permitted development and the Infrastructure Levy, we recommend it legislate as soon as possible to ensure that permitted development contributes towards the cost of providing the infrastructure and affordable housing needed to offset any negative impact on the local community.*

Conclusions and recommendations

The role of permitted development in the planning system

1. The Government's recent changes to the use class system and the introduction of the class MA permitted development right are a continuation of the policy of successive governments since 2013 of using PDR to speed up housing delivery. We understand the intention behind residential PDRs. We also support the use of prior approval and other conditions to control the quality and other aspects of permitted development. We note, however, that the regime might have become so complicated it is now little different from the full planning system. (Paragraph 23)
2. To date, the Government has not explained how its PDR regime fits within the wider planning system or its proposed reforms in the planning White Paper. In particular, the recent extensions to permitted development appear to contradict the increased focus on plan-led development and local democratic involvement, and to fatally undermine the role of local authorities in place-making. This raises the question: How can a local planning authority explain to local communities that its hands are tied and it cannot secure the future of its town centres? We note, too, that there is no scope for local communities to comment on permitted development schemes. (Paragraph 24)
3. *We recommend the Government pause any further extensions of permitted development rights for change of use to residential, including the new class MA right, which is due to take effect on 1 August, and conduct a review of their role within the wider planning system. As part of that review, it should set out its long-term vision for permitted development for change of use to residential and explain how it plans to retain the benefits of these PDRs whilst not also sacrificing the ability of local planning authorities to control the quality of development. In setting out its long-term vision, the Government should set out how the PDR regime fits with the wider reforms to the planning system and what plans it has, if any, to further extend permitted development rights.* (Paragraph 25)

Impact on local authorities

4. The prior approval process is the principal mechanism by which local planning authorities can control permitted development in their areas, and we welcome the recent inclusion of more criteria, but we are concerned about its increasing complexity and the consequent impact on councils' resources. This tension—between setting necessary limits on the PDR regime and the negative impacts of greater complexity—is difficult to resolve. The efficacy of permitted development depends on whether it can speed up planning decisions and make the outcomes more predictable for developers. The expanded use of prior approval unavoidably compromises its ability to do this. It also places a burden on local authorities that is not commensurate with the fees charged, and at a time when their resources are already strained and they are therefore not equipped to provide a quick service. (Paragraph 34)

5. *As we have already recommended, the Government should review the role of permitted development rights in the planning system. As part of that review, it should consider how to amend the prior approval process to both simplify it and give local authorities the tools they need to shape their communities in line with Local Plans. In addition, the Government should calculate the cost to local authorities of processing prior approval applications and increase the fees accordingly. (Paragraph 35)*
6. Local councils should be able to protect certain areas from permitted developments rights where they have legitimate concerns about the impact on town centres, high streets and commercial centres. We welcome the amendment to the proposed changes to the National Planning Policy Framework clarifying that Article 4 directions may be applied “to prevent the loss of the essential core of a primary shopping area”. This is an improvement on the original proposal, although it is too early to say if it goes far enough. It is also not clear why the Government feel it necessary to amend the current wording or what problem it is trying to fix. In addition, we still believe that councils should not have to wait one year before being able to apply a direction without also being liable to pay compensation to developers. (Paragraph 43)
7. *The Government should clarify why it considers it necessary to amend paragraph 53 of the National Planning Policy Framework, and set out how the new wording addresses the issues it is seeking to resolve. In addition, we recommend that the Government monitor whether the changes to paragraph 53 give councils the power they need to protect high streets and town centres from permitted development rights for change of use to residential. If the evidence suggests they do not, the Government should amend the wording again to give councils greater freedom to restrict the use of PDRs in certain areas. We also recommend that the Government allow councils to apply Article 4 directions more quickly without having to pay compensation to developers. (Paragraph 44)*

Impact on high streets and town centres

8. We broadly welcome the new use class E, as we can see the advantages of greater flexibility, but it should not permit development to bypass the sequential test or risk the loss of medical centres. *As we have already recommended, the Government should review the role of permitted development rights within the planning system. As part of that review, we recommend it consider amending the use class regime to prevent out-of-town commercial and business premises from being converted to retail without having first gone through the sequential test and to prevent the loss of medical centres through change of use within the new use class E. (Paragraph 50)*
9. We support the Government’s aim of revitalising our high streets and town centres, but we are concerned that the new class MA right could undermine attempts to do so. The current requirement that properties need only have been vacant from three months could put viable businesses at risk of being evicted by landlords seeking a profit from residential conversions. This resulting loss of businesses could have a negative effect on footfall. As we heard repeatedly, a viable business will attract more footfall than a residential conversion. We cannot see how footfall will be boosted if high street shops, which serve local workers and visitors, are replaced by flats. That being said, we acknowledge that there may be merit in converting upper

floors of properties on the high street. We are also concerned that the protection for ground-floor premises in the prior approval process applies only in conservation areas. (Paragraph 62)

10. *The Government should either extend the vacancy period or devise a test that can be applied to properties to make sure they are not still viable as class E premises. It should consider the most appropriate vacancy period or test as part of the review of PDRs for change of use to residential. We also recommend the Government amend the prior approval process for the class MA right so that councils, in deciding whether to approve development, can consider the impact of a loss of ground-floor commercial, business and service use on the sustainability of a town centre or high street.* (Paragraph 63)

Housing

11. When compared to the overall number of new homes being delivered, it appears that permitted development rights have made a contribution to the supply of new homes, although the precise number is difficult to calculate given the likelihood that some of these homes would have been built anyway. It also seems likely that the new class MA right will increase its contribution further. Given the acute housing shortage in this country, we welcome this additional housing, but we have serious concerns that some of these homes are of poor quality and that some of the people living in them do not have the option of living elsewhere. All new homes delivered through PDR must be truly fit for purpose and suitably located. A flat on an industrial estate is totally unsuitable for young children. (Paragraph 80)
12. *As already recommended, the Government should pause any further extensions of permitted development, including the new class MA right, which is due to take effect on 1 August, and conduct a review of all PDRs for change of use to residential. As part of this review, it should consider how to extend prior approval without also adding to the burden on local authorities. In particular, we recommend that local authorities be able to prevent the siting of homes in inappropriate locations, such as business and industrial parks. Among other amendments to prior approval, the Government should consider the following:*
 - *requiring the installation of windows (rather than just skylights) as part of the requirement for adequate natural light;*
 - *requiring the provision of outdoor private or communal amenity space; and*
 - *enabling local authorities to require that overall the housing delivered through PDRs contributes a mix of housing types that fits with their own assessment of housing need in their area.* (Paragraph 81)
13. Housing delivered under permitted development can have as great an impact on local infrastructure and the delivery of services as housing built through the full planning process. It should therefore contribute to the cost of offsetting its negative impact. The loss of affordable housing is a particularly unfortunate consequence of its effective exemption from Section 106 agreements and the Community Infrastructure Levy. We welcome the idea of the proposed new Infrastructure Levy covering permitted development, but we are concerned about the lack of detail and of a clear timetable for its introduction. (Paragraph 90)

14. *Whatever the Government's long-term plans for permitted development and the Infrastructure Levy, we recommend it legislate as soon as possible to ensure that permitted development contributes towards the cost of providing the infrastructure and affordable housing needed to offset any negative impact on the local community.*
(Paragraph 91)

Formal minutes

Monday 19 July 2021

Virtual Meeting

Members present:

Mr Clive Betts, in the Chair

| | |
|----------------------|-------------------|
| Bob Blackman | Ian Byrne |
| Brendan Clarke-Smith | Florence Eshalomi |
| Rachel Hopkins | Andrew Lewer |
| Mary Robinson | Mohammad Yasin |

Draft report (Permitted Development Rights) proposed by the Chair, brought up and read.

Ordered, That the report be read a second time, paragraph by paragraph.

Paragraphs 1 to 91 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Monday 6 September at 3.30pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Monday 17 May 2021

Mark Worringham, Planning Policy Team Leader, Reading Council; **John Bibby**, Policy Manager, Shelter; **Cllr Rachel Blake**, Member of the Environment, Economy, Housing and Transport Board, Local Government Association [Q1–28](#)

Mark Tufnell, Deputy President, Country Land and Business Association; **Ian Fletcher**, Director of Policy, British Property Federation; **James Wickham**, Representative, London Property Alliance [Q29–57](#)

Monday 07 June 2021

Ojay McDonald, CEO, Association of Town and City Management; **John Myers**, Representative, YIMBY Alliance, Representative, PricedOut; **Matthew Davis**, Head of Membership, Institute of Place Management [Q68–81](#)

Dr Ben Clifford, Associate Professor in Spatial Planning and Government, Bartlett School of Planning, University College London; **Ben Southwood**, Head of Housing, Transport, and Urban Space, Policy Exchange; **Sarah Bevan**, Programme Director, Planning and Development, London First [Q82–108](#)

Wednesday 16 June 2021

Rt Hon Christopher Pincher MP, Minister for Housing, Ministry of Housing, Communities and Local Government; **Simon Gallagher**, Director of Planning, Ministry of Housing, Communities and Local Government [Q109–181](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

PDR numbers are generated by the evidence processing system and so may not be complete.

- 1 The Association of Convenience Stores ([PDR0083](#))
- 2 ANUK/Unipol National Codes of Standards ([PDR0038](#))
- 3 Abri ([PDR0012](#))
- 4 Adam Smith Institute ([PDR0074](#))
- 5 Anonymous, ([PDR0010](#))
- 6 Anonymous, ([PDR0003](#))
- 7 Anonymous, ([PDR0014](#))
- 8 Anonymous, ([PDR0052](#))
- 9 Ashford (KALC) ([PDR0050](#))
- 10 Association of Town and City Management ([PDR0039](#))
- 11 Bath Preservation Trust ([PDR0056](#))
- 12 Brighton & Hove City Council ([PDR0035](#))
- 13 British BIDs ([PDR0063](#))
- 14 British Property Federation ([PDR0007](#))
- 15 British Retail Consortium ([PDR0087](#))
- 16 Burgess Hill Town Council ([PDR0026](#))
- 17 Chartered Institute of Housing ([PDR0033](#))
- 18 Country Land and Business Association ([PDR0027](#))
- 19 Canelas, Dr Patricia (Departmental Lecturer in Sustainable Urban Development, University of Oxford); Clifford, Dr Ben (Associate Professor in Spatial Planning and Government, The Bartlett School of Planning, University College London); Ferm, Dr Jess (Associate Professor in Planning and Urban Management, The Bartlett School of Planning, University College London); Livingstone, Dr Nicola (Associate Professor in Real Estate, The Bartlett School of Planning, University College London) ([PDR0046](#))
- 20 Centre for Ageing Better ([PDR0065](#))
- 21 Chaffey, Mr Julian ([PDR0081](#))
- 22 Chartered Institute for Archaeologists; and Council for British Archaeology ([PDR0086](#))
- 23 City of Durham Trust ([PDR0042](#))
- 24 City of York Council ([PDR0025](#))
- 25 Crawley Borough Council ([PDR0062](#))
- 26 Chartered Planners in Academic Practice Group ([PDR0072](#))
- 27 District Councils' Network ([PDR0017](#))
- 28 Dolphin Living ([PDR0011](#))
- 29 East Devon District Council ([PDR0094](#))

- 30 East Riding of Yorkshire Council ([PDR0031](#))
- 31 Fearn, Mr Michael ([PDR0002](#))
- 32 Frost, Tim ([PDR0097](#))
- 33 Gates, Mrs Elizabeth ([PDR0049](#))
- 34 Guildford Society ([PDR0059](#))
- 35 Heathdene Area Residents Group ([PDR0019](#))
- 36 Hertfordshire Infrastructure & Planning Partnership ([PDR0088](#))
- 37 Highfield Residents Association ([PDR0013](#))
- 38 Historic England ([PDR0057](#))
- 39 Institute of Historic Building Conservation ([PDR0045](#))
- 40 Institute of Place Management ([PDR0043](#))
- 41 Kensington Society ([PDR0085](#))
- 42 Kirkham, Roger ([PDR0092](#))
- 43 Local Authority Building Control ([PDR0090](#))
- 44 Land Promoters and Developers Federation ([PDR0096](#))
- 45 Levitt Bernstein ([PDR0008](#))
- 46 Local Government Association ([PDR0023](#))
- 47 Lochhead, Dr Sandra ([PDR0001](#))
- 48 London Borough of Bromley ([PDR0051](#))
- 49 London Borough of Hackney ([PDR0093](#))
- 50 London Borough of Islington ([PDR0055](#))
- 51 London Councils ([PDR0021](#))
- 52 London First ([PDR0044](#))
- 53 London Forum of Amenity and Civic Societies ([PDR0082](#))
- 54 London Property Alliance ([PDR0071](#))
- 55 London School of Economics ([PDR0079](#))
- 56 London YIMBY; and PricedOut ([PDR0048](#))
- 57 Mayor of London ([PDR0095](#))
- 58 National Association of Local Councils ([PDR0006](#))
- 59 National HMO Lobby ([PDR0009](#))
- 60 National Parks England ([PDR0091](#))
- 61 Nationwide Foundation ([PDR0064](#))
- 62 Northumberland County Council ([PDR0034](#))
- 63 Norwich BID; and VisitNorwich ([PDR0036](#))
- 64 Norwich City Council ([PDR0032](#))
- 65 Planning Officers Society ([PDR0080](#))
- 66 Policy Exchange ([PDR0068](#))
- 67 Quinney, Mr Colin ([PDR0040](#))

- 68 Reading Borough Council ([PDR0022](#))
- 69 Royal Town Planning Institute ([PDR0037](#))
- 70 Sevenoaks District Council ([PDR0076](#))
- 71 Shelter ([PDR0078](#))
- 72 South East Strategic Leaders ([PDR0060](#))
- 73 Tesco ([PDR0084](#))
- 74 The Chartered Institute of Building ([PDR0075](#))
- 75 The Heritage Alliance ([PDR0077](#))
- 76 The Highgate Society ([PDR0069](#))
- 77 The Law Society ([PDR0041](#))
- 78 The London Borough of Hillingdon ([PDR0020](#))
- 79 The Moseley Society; and Moseley Regeneration Group ([PDR0029](#))
- 80 The National Trust ([PDR0067](#))
- 81 Tonbridge & Malling Borough Council ([PDR0030](#))
- 82 Town and Country Planning Association ([PDR0024](#))
- 83 Trees and Design Action Group ([PDR0018](#))
- 84 Tunbridge Wells Borough Council ([PDR0054](#))
- 85 UK Dark Skies Partnership ([PDR0047](#))
- 86 West Beckenham Residents' Association; and Copers Cope Area Residents' Association ([PDR0061](#))
- 87 Wildlife and Countryside Link ([PDR0070](#))
- 88 Wyer, Mr Roger ([PDR0016](#))
- 89 Slay, Mr Stephen ([PDR0073](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website.

Session 2021–22

| Number | Title | Reference |
|--------|---|-----------|
| 1st | The future of the planning system in England | HC 38 |
| 2nd | Local authority financial sustainability and the section 114 regime | HC 33 |

Session 2019–21

| Number | Title | Reference |
|--------|---|-----------|
| 1st | Protecting rough sleepers and renters: Interim Report | HC 309 |
| 2nd | Cladding: progress of remediation | HC 172 |
| 3rd | Building more social housing | HC 173 |
| 4th | Appointment of the Chair of Homes England | HC 821 |
| 5th | Pre-legislative scrutiny of the Building Safety Bill | HC 466 |
| 6th | Protecting the homeless and the private rented sector: MHCLG's response to Covid-19 | HC 1329 |
| 7th | Cladding Remediation—Follow-up | HC 1249 |