

PLANNING, PROPERTY & OPPORTUNITY DURING COVID-19 AND BEYOND KEY TAKEAWAYS FROM THE WEBINAR



Daniel Drukarz
Partner
Asserson

Q: What are the key trends you're seeing on the matter of planning and housebuilding currently?

- Demographic changes e.g. increasing trend towards single person households, will exacerbate increasing long term mismatch between housing demand and supply.
- There has been a rise in JVs between the public and private sector. Local authorities have large tracts of land while developers have experience to build them out.
- Councils have set up arm's length housing **delivery** arms to provide low cost housing on their own land and to tackle badly needed council estate regeneration (e.g. Brent Council). Councils benefit from historically low borrowing costs.
- Planning is still layered with competing political interests at all levels



Marianne Barker
Partner
Asserson

Q: What tips do you have for developers to navigate the sometimes challenging topic of good planning vs scheme viability

- Developers must not blink first where their affordable housing percentages are robust enough to justify planning consent on the grounds of viability. Hold your nerve and prepare to appeal if necessary.
- Get ahead of the issue by appointing an experienced viability consultant early in the process. Engage with the local authority from the outset to understand political and local planning priorities and how/if you can incorporate these into your scheme economics.
- Engage in the discussion – how can market and affordable housing be delivered without undermining scheme viability and private sector housing development? More public sector funding and an increase in council housing is just one idea.



Dr Edward Ziff OBE DL
Chairman and Chief Executive
Town Centre Securities

Q: How bad are current conditions in the age of Covid-19:

- Government has helped tenants enormously by way of a rent moratorium, but this is a hammer-blow to landlords. Large publicly listed companies are taking advantage of the rules to avoid their rent obligations.
- The fate of Intu Properties PLC demonstrates the difficulties of running a Bricks and Mortar retail-focused portfolio.
- Local authorities have been slower than hoped to assist. For example, ratings holidays were not offered to all the industries who need them.



Roger Hepher
BA MTP FRICS MRTPI FRSA AAOU
Director
hgh Consulting

Q: Please can you let us have your thoughts on the likely impact of the Government's recently introduced planning measures:

- Planning permissions extended – while it is sensible in principle for permissions to be extended until April 2021, a closer look at the regulations reveals that for those permissions which have already expired before the measure was introduced, the process to re-activate is complicated.
- Permitted Development Rights – the regulations provide for a couple of extra storeys to be added to residential buildings. However, once again the regulations contain too many exclusions and caveats to have any good chance of delivering a significant benefit.
- Mixed Mode Appeals – although it is sensible to allow the Planning Inspectorate more flexibility, the real problem is that it is currently too overwhelmed and under resourced to deliver what the system requires.

Q to the panel: What do you think about a planning guarantee system in favour of genuinely motivated applicants?

- **Roger:** Very interesting in principle. Could enforce through incentives e.g. offering a CIL rebate or an affordable housing % reduction if the project completes within x months.
- **Danny:** my concern would be with a personal permission that is too constrained, as it will make development lenders, banks etc less willing to fund.
- **Marianne:** in my personal experience local authorities shy away from personal permissions but as part of a negotiated consent, developers may offer to accept a shorter period of time to implement. Keep this one up your sleeve however and consider impact on lending, as Danny says.

For any of your Planning Covid-19 concerns book in for a complimentary consultation with Marianne or Daniel at Francesca.Caller@asserson.co.uk

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