

Shelter briefing: Extending Permitted Development Rights

Summary:

There are over 300,000 people without a home in England today. At the root of this is a long-term failure to build enough homes, and particularly enough social homes.

Despite this urgent need, the government provides developers with get out clauses, letting them take forward new developments without providing any social or affordable homes. One of these 'get outs' is Permitted Development Rights (PDR), which in recent years has been expanded dramatically from its original purpose and which allows developers to bypass local planning process.

In addition, development done through PDR has no requirement to deliver any social or affordable homes. As a result, thousands of affordable homes have potentially been lost in the past 3 years.

The government is now considering a proposal to supercharge this get out clause and make it even more common. The proposals would allow developers to **demolish some existing non-residential buildings like office blocks and rebuild them** without full planning permission.

This will not only potentially drain away more social homes, but also take more power away from communities over what gets built and where. Hence, PDR is a ticking timebomb that risks further undermining vital public support for development in the future.

We are calling on the government not to expand PDR to include demolitions.

In the long-term, we need a commitment to investment in social housebuilding, to create a new generation of social homes. This will also require significant reform of the land market, for example by addressing the 1961 Land Compensation Act, which has stopped development for so long.

How Permitted Development Rights work

PDRs are a blanket permission granted by the government to cover certain types of development, meaning they can bypass the standard process of securing planning permission from local authorities. This means **developments making use of PDR do not submit a planning application or receive permission from local authorities.**

Traditionally PDR has only covered a limited set of circumstances, such as minor extensions to existing homes. However, since 2013, the government has expanded the role of permitted development dramatically. The most significant aspect of this expansion has been the decision to allow office to residential conversions to take place as permitted development. In practice this means that developers can turn offices into homes without having to secure planning consent.

This brings in lots of new housing stock very quickly, but ultimately at the price of a loss of control for communities and local authorities over their own neighbourhoods. Although a local authority can give prior approval for these developments, they can only turn it down in very limited circumstances, such as a negative impact on transport, or a risk of contamination or flooding on the site.¹

This means they **cannot require social housing contributions or enforce space standards covering minimum sizes.**

The government has given the option for some local authorities to restrict PDR conversions, in the form of an article 4 direction², but these are hard to implement, involve costly compensation payments and can be

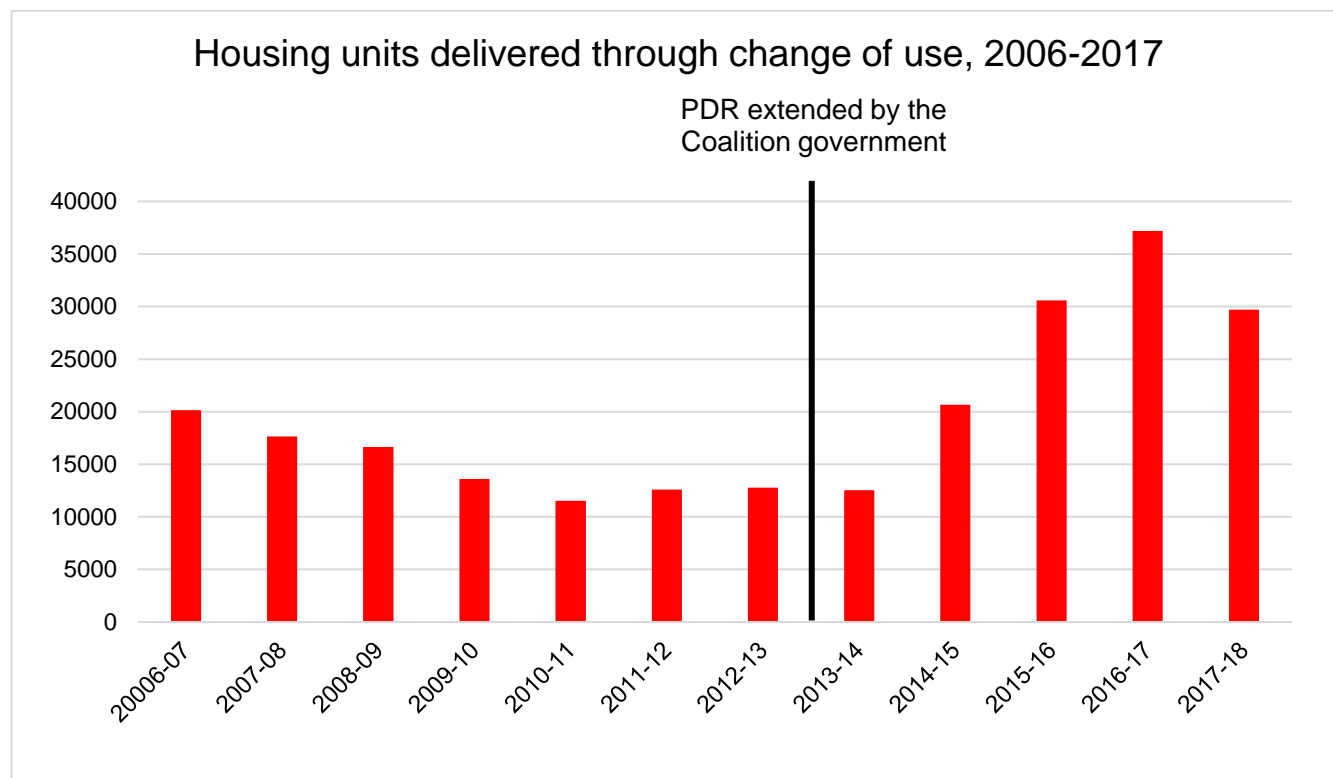
¹ See Schedule 2 of [The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015](#) for the issues that need to be considered as part of the prior approval process for different types of PD.

² [The Town and Country Planning \(Granted Permitted Development\) \(England\) Order 2015](#) et al.

modified or overturned by central government; making it overall unfit for purpose and an ineffective method for giving LAs some control back over developments.³

What is the planned extension?

The government recently launched a consultation on extending permitted development rights to include demolitions.⁴ PDR has traditionally applied to planning changes to individual homes, for example adding a conservatory. However, the recent extension of PDR to cover conversions from agricultural or commercial uses to residential use has made the system a significant source of new housing supply.



However, this is an **ineffective and unsuitable method of solving the housing crisis**. With millions of families trapped at the bottom of the private rented market in unaffordable, poor-quality, insecure housing, there is an urgent need for more social rent homes affordable to those on low incomes.

In addition, cutting affordable housing contributions from demolitions would throw away one of the best opportunities for increasing overall housing supply. As the recent independent review of build out rates led by Oliver Letwin found⁵, building more social and affordable housing on new developments allows housebuilders to tap into different sources of demand, building more homes faster overall. As market sale housing is acutely unaffordable for millions of households, the government's target of 300,000 net additions a year is unlikely to be met without diversifying the tenures of the homes we are building.

More housing coming in to the market through PDR just means that **more social housing is lost**, with thousands of potential affordable homes lost because of PDR in recent years. When developers have to go through planning permission, land is allocated, they must apply to develop on it, and they negotiate with the local authority over what gets built. This ensures that the new housing benefits the community, providing money for community infrastructure and affordable housing. Without this, there is no accountability for what is built.

Thousands of affordable homes are already lost through this method of conversion. By extending it to include demolitions, on top of conversions, the developers – rather than the community – will have free rein over what

³ This is provided that the directions do not relate to listed buildings, buildings notified as of architectural or historic interest, or certain developments in conservation areas.

⁴ [Planning Reform: Supporting the high street and increasing the delivery of new homes](#), 2018, MHCLG

⁵ [Independent review of build out: draft analysis](#), 2018, MHCLG, p.16

gets built and where, creating an unsuitable and unregulated system of widespread, substandard developments.

It is important that the government is committed to building more housing, but we must ensure that this is not at the expense of the community who would otherwise benefit from high-quality, social housing.

The problems with PDR

There are a number of issues that occur when developers do not have to go through the planning system.

1. PDR can operate as a social housing get-out clause, preventing the homes that are really needed from being delivered.
2. Rules on quality such as size standards do not apply, leading to the delivery of 'rabbit hutch homes'.⁶
3. Developers avoid full Community Infrastructure Levy charges, so local people miss out on resources for schools or GPs, undermining local support for new housing.

Loss of social homes

Research from organisations including the Local Government Association has shown that thousands of affordable homes have been potentially lost since 2015. These are homes that should have been delivered alongside market homes, as set out in local housing policies all across the country.

More widely it has been estimated that across England, Local Planning Authorities have missed out on between £37 and £48 million in money for affordable housing between 2013 and 2017.⁷

Size and Quality

Since permitted developments do not go through full planning processes, there is **no opportunity for local authorities to enforce space standards, housing quality or design.** Since these are not areas that come under prior approval, local authorities simply cannot stop developments from happening if they are too small or seem to be of low quality. However, the consultation on extending upwards does suggest that consideration of design, siting and appearance should be part of this process.

The lack of community control and oversight means that developers are able to cut corners in their building, meaning they can cram as many flats into a single space as possible to maximise the number of homes they are adding to the market. This means that PDR has allowed extremely poor-quality housing to be developed.⁸

In addition, they have no obligation to provide genuinely decent and high-quality homes since there are no formal checks on this by the local authority who would otherwise scrutinise the developer's plans. This means that PDR is leading to the provision of homes that are of such poor quality that they are posing health and safety problems for residents.⁹

Lack of Community Infrastructure

To date, councils have only been able to raise limited contributions to community infrastructure from agricultural / commercial to residential conversions done via PDR. In theory, all conversions of empty buildings have to pay towards local infrastructure when developing. However, conversions involving non-vacant buildings are eligible for various deductions to Community Infrastructure Levy.

The British Social Attitudes Survey 2017 demonstrates clearly that investment in community infrastructure and facilities are the reasons that will make people most likely to support new developments in their area. Selecting the advantages that would make them support homes being built in their local area, respondents

⁶ ["Rabbit hutch' homes should be consigned to the past, say architects"](#), The Guardian, 2015

⁷ ["Bibby, B., Brindley, P., McLearn, a., Henneberry, J., Tubridy, D., Dunning, R. \(2018\) *The exercise of permitted development rights in England since 2010*, Royal Institute of Chartered Surveyors](#)

⁸ [Clifford, B., Ferm, J., Livingstone, N. & Canelas, P. \(2018\) *Assessing the Impacts of Extending Permitted Development Rights to Office-to-Residential Change of Use in England*, Royal Institution of Chartered Surveyors,](#)

⁹ [Assessing the Impacts of Extending Permitted Development Rights to Office-to-Residential Change of Use in England](#), et. al

most frequently selected 'more employment opportunities', 'more medical facilities built, or existing ones improved', 'transport links improved', 'more schools built or improved' and 'more affordable homes to rent'.¹⁰

Therefore, if developers are not contributing this vital community infrastructure then the atmosphere of opposition to new developments will remain and potentially increase, creating further barriers for the government in achieving their commitment to 300,000 homes per year. We must ensure that developments go through the planning system, and that developers are not given demolition powers, enabling them to build even more unsuitable and substandard housing which does nothing to enhance the local area.

How to address the problems

Part of the government's consultation into extending PDR is the consideration to expand it to include demolitions. This will have the biggest impact on increasing the number of social homes lost through this system, and is consequently the key area to focus on. However, the consultation also proposes:

- Increasing powers to build upwards, adding a number of stories onto existing buildings;
- Introducing new permitted development rights to allow existing premises to change to a wider range of uses e.g. gyms, libraries, health care and office use as well as homes.
- Make permanent the current time-limited right to convert storage and warehouse spaces into residential homes.

Shelter's primary concern in the consultation is the expansion to demolitions, however it must be acknowledged that PDR has numerous flaws and the planning system should be the preferred and default method of bringing in new developments.

1. Stop the expansion to demolitions

First and foremost, we need to **stop the expansion of PDR to include demolitions**. This will not only lead to a potential loss of even more social homes, but also take more power away from communities over what gets built and where. The government must look seriously at the types of accommodation and tenure that are being created through PDR and see if this supports and aligns with the commitments to social housing that they outlined in their Social Housing Green Paper.

2. Government must properly review the implications of PDR for social housing delivery

In the longer term, it is important that the government reviews fully the impact of PDR. They must evaluate the implications of PDR on affordable and social housing delivery to see whether the permitted development system is enabling or hindering government commitments to build social homes; and consult with local authorities to gauge the impact of the use of PDR on communities.

It should also be a priority to ensure that any home being built in England is done in a way that ensures quality, good design and the delivery of any necessary community infrastructure.

3. A new generation of social housing

The priority for the government when it comes to housing should be committing to a new generation of social housing being built. At the heart of every problem we see is simply a lack of social and affordable housing. As 1.15 million people waited for council housing last year and 80,000 people are in temporary accommodation, social housing is the only form of tenure which can successfully deliver, safe, affordable and secure homes, enabling people to save for their futures. This means consistent and long-term funding from the government will be needed to address the severe shortage of this tenure that is available.

Whilst we acknowledge that the extension of PDR has increased housing units, due to the numerous concerns we **strongly oppose this planning deregulation**. It will not enable the delivery of the housing product that we know will significantly address the level of housing need: high-quality and spacious social housing.

If you have any questions, please contact [Angel Strachan@shelter.org.uk](mailto:Angel.Strachan@shelter.org.uk) or 0344 515 1182

¹⁰ [Public attitudes to house building: Findings from the 2017 British Social Attitudes Survey](#), MHCLG, 2018