

Competition and Markets Authority
The Cabot
25 Cabot Square
London
E14 4QZ

6th December 2023

Dear Sirs,

CMA Consultation: Local Concentration and Land Banks Working Paper and Planning Working Paper

Thank you for allowing us the opportunity to review the Land Banks and Planning Working Papers prepared by the CMA. This letter is on behalf of Lioncourt Homes Limited.

Lioncourt Homes is a Worcestershire based small-medium sized housebuilder, currently building circa 180 dwellings per annum. The company has ambitious growth plans, aspiring to treble the size of the business within the next five years. Our sites vary in scale generally between 35 to 120 dwellings. We are in direct competition with small-medium housebuilders and the PLC's, which can make the sourcing of new land extremely competitive.

Due to the scale of the business and our ambitious growth plans, we do not source land to bank for future years, instead we are focused on immediate delivery. Our letter focusses on the Planning Working Paper, in particular the impact on SME housebuilders.

Planning Working Paper

Lioncourt believes that the Planning System has become over complicated and a lengthy process, which could be avoided with reforms to the Planning System. The lack of funding and resources within the Local Planning Authorities is one of the main factors in the system's failure. The recent fee increase for planning applications was welcomed by Lioncourt, if it meant that the additional funds would be reinstated to Planning Departments. It is disappointing that the Government has not committed to ringfencing the additional income into the planning departments, where it is required and should be provided.

The costs involved in preparing a planning application are extortionate and we have to carefully consider the lengthy planning process when purchasing land, especially when land is bought unconditionally. The up-front costs and the time it takes before site works can commence, sometimes makes development opportunities unviable to SME housebuilders. Your analysis of how the planning system has a disproportionate impact on SME housebuilders is in our opinion correct. Whilst we understand that the same level of supporting information will be required for medium and



large sites, you would like to think that smaller sites would be determined more quickly, especially if they are allocated sites. The unpredictability of each Local Planning Authority is concerning, making it difficult to predict delivery rates when bidding for land and in some instances, the reality of these timescales can result in some sites becoming unviable.

Whilst we agree that there is a need to monitor Local Plans more effectively to ensure that they are up to date, streamlining the Planning System generally, including for Plan Making, will ensure that LPA's are able to update their Development Plans promptly whilst still ensuring that adequate social needs are provided for within their administrative areas.

In terms of decision making, your suggested approach to create LPA rules which enable limited information to be submitted on allocated sites would be welcomed (5.34 a). The introduction of Design Codes will assist with this strategy and speed up the delivery of allocated sites. This will also reduce the overall costs of a planning submission, potentially enabling more choice for SME Housebuilders. We also welcome your suggestion that Councilors should only consider planning applications on non-allocated sites. Lioncourt has recently gained planning consent on a site which was a Reg 19 housing allocation. Despite receiving Officer support and no objection from any statutory consultee, members of the Planning Committee were dismissive of the proposals and the supporting information submitted with the application and reluctantly had to support the proposals. Not only is this a mockery of the planning system and their understanding of Planning Law, it was also disheartening to Lioncourt, following the vast amount of information which had been submitted with the application, let alone the costs associated with this.

The length of time in which consultees respond to planning applications and discharge of condition applications is frustrating and adds yet further time to the process. Streamlining the key stakeholders would be welcomed and it is important that those departments are financially supported to enable an efficient service.

Whilst it would be a good idea for additional support to be available for SME Housebuilders, in reality this is unlikely to happen. Instead, we strongly believe that your suggestions to streamline the planning process are the most appropriate way forward. This will expediate on-site delivery and remove unnecessary restrictions from the planning process which currently add a significant amount of time and cost to planning submissions.

Generally, we support the recommendations within your paper and appreciate your suggestions to assist SME Housebuilders.

Yours Faithfully

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