

## **Insights**

# QUEEN'S SPEECH: NEW PLANNING MEASURES INTRODUCED

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#### SUMMARY

This year's Queen's Speech takes forward the Government's planning reform agenda. In this BCLP Insight we take a look at which new Bills have implications for planning and what this means for those in the planning and development sector.

This year's Queen's Speech, which sets out the government's legislative agenda for the new parliamentary year, is notable not only because it was delivered by Prince Charles for the first time, but also because it confirms which planning reforms are being taken forward to be enshrined in legislation.

In response to the 'blue wall' support crumbling in the recent local election, the Government's more radical planning reform proposals (including the introduction of a zoning approach to allocating sites which would be ring fenced for development in the local plan proposed in the 2020 Planning White Paper) have been dropped as was the standalone Planning Bill. Instead, the Levelling Up and Regeneration Bill introduced in the Queen's Speech will incorporate some more measured and far less contentious proposals to reform the planning system including the introduction of an infrastructure levy, and changes to environmental assessments and local plans.

In this Insight we discuss the planning implications of the Levelling Up Bill, and also briefly touch on the Energy Security Bill and the Procurement Bill which also have implications for planning.

#### THE LEVELLING UP AND REGENERATION BILL

This is one of the Government's flagship bills and will enshrine in legislation a number of measures first proposed in the Levelling Up White Paper published in February 2022 aimed at spreading growth and opportunities across the UK.

The Government says this Bill will introduce a 'system change' of how Government works to support the regeneration of towns and cities 'in the places that need it most' and provide local communities

with a greater influence over building design, new infrastructure and affordable housing.

However, the three main areas in which the Bill will introduce changes in planning are through:

- 1. A new approach to the environmental assessment of planning applications and projects. Following Brexit, the Government has previously committed to streamlining and improving the process of Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA). There is no detail yet of how these rules will be changed, and it seems that the Government is still in the early stages of developing options on which to consult, with the Chief Planner in her May 2022 newsletter asking for people with experience of the planning system to step forward and share knowledge to help develop and test opportunities for EIA and SEA reform. This information will inform proposals which she said will be progressed this year.
- 2. A new Infrastructure levy to capture more of the financial value gain created by development. It would be locally set and non-negotiable and to be spent on housing, schools, GPs and new roads this new levy had been expected but there was no confirmation as to whether it will replace affordable housing delivery through s106 (as had been hinted at in the past). Initial proposals in the Planning White Paper published in August 2020 were for a nationally set levy, but from the limited details announced today this proposal sounds more akin to an extension of a locally set CIL.
- 3. Simplifying and standardising the process for local plans so that they are produced faster and are easier for communities to influence this is an interesting announcement but details of the extent of these changes are limited at this stage. The 2020 Planning White Paper proposed fundamental changes and included detailed proposals on changes to the examination of local plans, their evidence base and their digitisation, and (controversially) how general development management policies would be stripped out to be contained only in the NPPF, and 'zoning rules' introduced. The details published alongside the Queen's Speech don't say whether any of these proposals will be taken forward in the Bill, or exactly how local plans will be changed, although zoning does appear to have been abandoned, for now at least. However, the changes could have important implications for all developments.

Other Bills which will have implications for planning are:

**The Energy Security Bill** which will take forward some of the measures identified in the Energy Strategy published in April to support the transition to net zero and increase domestic energy capacity (for more information, please see this BCLP blog); and

The Public Sector Procurement Bill which will be focussed on decoupling the UK from the EU and on speeding up the procurement process through the simplification of the procurement rules, and giving public sector buyers more freedom and flexibility by allowing them to better negotiate with suppliers and to design the buying process that meets their needs. These measures may address

the delays in the development process that can affect developments through JVs with public sector bodies.

## COMMENT

The planning changes in the Levelling Up Bill are no doubt more measured than those originally proposed. However, depending on how the legislation is scoped, they could result in a positive step change to the complex procedure and rules around environmental assessments and local plan making. If the amendments successfully simplify and streamline these elements of planning procedure without compromising the checks and balances, then they will be welcomed by planning practitioners and developers. The local plan proposals also adhere to the planning orthodoxy of successive Governments that no changes can be made without the twin objectives of 'speeding up the process' and 'increasing the degree of public involvement'. How both can be achieved simultaneously remains an elusive concept though.

As to the new infrastructure levy, at this stage there are still many unanswered questions about how it will work, how tariffs will be set and how it will deviate from the current CIL regime. A more straightforward system for developers to navigate would have the advantage of providing greater cost certainty, but viability will be a critical concern and local authorities will need to ensure rates are set at a realistic level which are not prohibitive.

There is no mention of reforms to the CPO rules as some had speculated may be included. There is scope to simplify this system without diluting the fundamental tenet of policy that such procedures should only be used as a last resort, so changes to these rules may yet emerge in due course.

A final thought: as always the measures announced in the Queen's Speech are not guaranteed to become law. Political opposition and delays in parliamentary timetables could mean we are still a long way from any of these changes becoming part of the system, no matter how sensible or desirable they may appear to be.

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