

Consultation Response

MHCLG consultation: Planning for the Future White Paper

About the County Councils Network

The County Councils Network (CCN) represents 36 English local authorities that serve counties. The 25 county and 11 county unitary authorities that make up CCN are the largest part of the local government family. They represent all four corners of England, from Cumbria to Cornwall, Durham to Kent, North Yorkshire to Suffolk, Derbyshire to Essex.

The essential services our members provide touch on the everyday lives of residents and businesses across 86% of England's landmass and 47% of its population. The areas represented by our members constitute 38% of local government expenditure; 44% of total public expenditure (£201bn); and generate just under half of all tax revenues (£255bn). The economies of our areas contribute 38% of Gross Value Added (GVA) and 44% of employment.

Introduction

CCN welcomes the opportunity to submit a response to this important consultation. The Planning for the Future White Paper sets out a radical overhaul of the planning system that will require new legislation, and a wholesale review of how planning authorities operate and carry out their duties. Members of the County Councils Network support the Government's aims for a more efficient planning system that delivers good growth in consultation with communities.

The planning system will play a vital role in supporting immediate economic recovery and longer-term growth, including the ambitions to level-up the country and spread economic growth more fairly. It also has the power to shape the kind of places people want to live in as we learn the lessons from living through a global pandemic, and can ensure the built environment of today meets climate change targets and supports efforts to tackle the climate crisis and extreme weather events. Whilst some of the principles of planning reform are welcome, we would like to see more detail behind many of the proposals before we can fully endorse them.

As noted by the Local Government Association, evidence shows that nine in ten planning applications are approved by councils, and there are more than a million homes that have been given planning permission in the last decade that have not been built¹. There is also land for more than one million homes already allocated in Local Plans that have not been bought forward by developers to planning application stage. Despite not being perfect, the planning system is not solely responsible for the housing crisis, and the White Paper does little to propose other solutions outside the system that would help to get the homes built that are so desperately needed.

¹ <https://www.local.gov.uk/housing-backlog-more-million-homes-planning-permission-not-yet-built>

The White Paper puts forward proposals that seem to be based on little evidence, focusing on providing more certainty for developers, whilst providing little to no powers for local authorities to use that protect them against the penalties of not meeting targets through the housing delivery test. Moreover, the proposals as set out in their current form set out very little detail on wider place-making principles such as wider growth matters like employment space, infrastructure, transport and green space which are vital elements that help to create sustainable places.

CCN's key points of response to the specific proposals in the White Paper are:

- We support the principles of simplifying local plans, **but need to see much more detail about the proposed approach to zoning**. Little detail is given about how the differing zonal areas being will be applied in different locations, for example urban versus rural. CCN member authorities often straddle both rural and urban areas, and it will be vital to ensure that the system can be responsive to all environments, balancing the need to protect land that needs to be protected whilst also ensuring that growth can happen in a managed way that contributes to levelling-up the country.
- Many of the proposals place many more burdens on councils **and we therefore urge that local planning authorities are properly resourced** to allow them to carry out the additional functions that would be required of them.
- **We advocate for a much stronger approach to strategic spatial planning**, particularly in light of the proposal to remove the Duty to Cooperate. This gives an opportunity to consider how planning across broader geographies could assist in vision setting and aligning long term spatial, economic, environmental and infrastructure priorities. This would also help consider broader place-making principles.
- We welcome the principle of reform to the existing system of developer contributions, **but have concerns how the proposed approach would play out across the country and whether it would meet the criteria set out** within the consultation.
- **We call for a much stronger emphasis on sustainability and responding to climate change**. At present, we believe the White Paper is a missed opportunity to embed strong principles and policies for tackling climate change and ensuring a zero carbon future. In addition, much more detail is needed on the proposed 'Sustainability Test' before we can endorse this approach.

We are also pleased to submit alongside our response a new report, *Planning Reform and Strategic Planning*, written by strategic planning expert Catriona Riddell. The report sets out a new approach to planning strategically that would involve all local authorities within an area coming together with key partners to set a vision for growth and test the best spatial growth strategies, and provides a potential solution to the strategic planning void that will be created with the abolition of the Duty to Cooperate. Further details of this work can within this response and in the accompanying report.

This new report complements CCN's previous work on strategic planning, including a previous report published in 2018 *County Councils & Strategic Planning*², which set out a comprehensive review of both statutory and non-statutory strategic planning activity happening across the country. That work set out, as CCN has long argued, that the current

² <http://www.countycouncilsnetwork.org.uk/download/1607/>

strategic planning system, based on the voluntary mechanisms provided by the Duty to Cooperate, is insufficient to deliver comprehensive coverage of local plans and support the delivery of the 300,000 homes per year target. Instead the report advocated for a place-based approach to strategic planning that aligns spatial, infrastructure and economic priorities through statutory joint arrangements.

Our response has been informed by joint workshops undertaken with the Local Government Association and District Councils Network, along with steer from CCN member authorities. We also request that this response is read in conjunction with responses from any CCN member councils. As the proposals in the White Paper are taken forward and developed, CCN and its members would welcome being involved in the co-design of these – particularly around cross-boundary strategic planning and the infrastructure levy. Our full response is outlined below.

Pillar One – Planning for development

Overview

1. What three words do you associate most with the planning system in England?

Fragmented, undervalued, essential.

2. Do you get involved with planning decisions in your local area.

CCN members are both upper tier county councils and unitary authorities and have differing responsibilities within the planning system. However, all are involved in planning decisions within their areas.

3. Our proposals will make it much easier to access plans and contribute your views to planning decisions. How would you like to find out about plans and planning proposals in the future?

Not applicable.

4. What are your top three priorities for planning in your local area?

CCN members have ambitious growth plans across the country, and the planning system will enable areas to balance competing demands in addition to being a tool that can assist in recovery and 'levelling-up' post-COVID. The top three priorities for the planning system for CCN members are:

- Housing – ensuring that a range of housing is delivered to suit local incomes and needs. This should include an adequate supply of genuinely affordable housing, and housing that is suitable for older people with a range of needs.
- Economy – supporting a strong economy and town centres, allowing established sectors to flourish and providing environment for start-ups and small and medium enterprises to thrive.
- Infrastructure – ensuring that high quality infrastructure is delivered alongside homes. This includes a wide range of physical and social infrastructure from

roads and public transport, schools and doctors' surgeries, parks and leisure facilities and broadband and utilities.

Sustainability should be at the heart of the planning system, and run throughout the above ensuring the places and buildings we build now, and accompanying infrastructure, are fit for purpose and play their part in tackling and mitigating effects arising from the climate emergency. Taken together, these principles would ensure that places are inclusive and sustainable, supporting growth and encouraging healthy places.

There are, however, a lot of underlying factors that need to be addressed to allow the system to work more effectively. Whilst it is right to give more certainty to developers, the whole system will need significant investment – particularly in local authority resources to enable them to cope with an extremely front-loaded system.

CCN has also previously welcomed recommendations in various independent Government commissioned reports such as the Letwin Review on Build Out Rates³ and the Local Plans Expert Group⁴. We believe that these should be revisited at a time of wholesale change. More strategic plan making would ensure that growth priorities and investment plans are aligned at the higher-than-local level, more diverse housing developments are proven to achieve faster build out rates, and better land value capture would enable more high-quality infrastructure to be delivered. Whilst the priorities for the system are to deliver high quality housing, ensure quality economic development and infrastructure, this must be underpinned by a system that is fair and equitable.

A New Approach to Plan-Making

5. Do you agree that Local Plans should be simplified in line with our proposals?

CCN supports the principle of simplifying local plans, including broadly zoning areas to indicate the level of development that can be expected, but have concerns over some of the proposed approaches. It is extremely important that the system remains flexible to changing circumstances and there is little detail in the White Paper around how the new system would work in practice, particularly around different uses, nor is there any supporting evidence that would suggest this new approach would meet the aims outlined in the White Paper.

The White Paper also gives little detail on how it envisages the differing zonal areas being applied in different locations, i.e. urban versus rural. CCN member authorities often straddle both rural and urban areas, and it will be vital to ensure that the system can be responsive to all environments, balancing the need to protect land that needs to be protected whilst also ensuring that growth can happen in a managed way that contributes to levelling-up the country.

The principle of a plan-led system is well established across England, but authorities often get so far in preparing plans that meet the latest set of requirements before further changes to national policy are consulted on effectively taking the system back to

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/752124/Letwin_review_web_version.pdf

⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/508345/Local-plans-report-to-governement.pdf

square one. Local authorities need sufficient transition periods and lead in times to ensure that plans can reflect the latest national policy changes, and milestones should not be continually changed.

Before any new system is implemented across the country, we believe a pilot would be beneficial to understand how the proposed system would work in practice. Co-designing a new system with the authorities that would be responsible for implementing it would allow for tweaks and improvements to be made so that the system is as effective as it can be.

Capacity and resources also need to be considered in conjunction with the proposed changes. The makeup of planning policy teams has altered dramatically over time, with many planning authorities now having a small dedicated policy team. The proposed changes to system would place much more emphasis on a local plan and would be much more labour intensive, particularly in light of growth areas permitting outline planning permission. The proposals would therefore require significant investment in planning departments and teams in order to facilitate the proposed changes.

We provide answers to further questions around the different areas later in this response.

6. Do you agree with our proposals for streamlining the development management content of Local Plans, and setting out generally development management policies nationally?

CCN members can see the merits of a streamlined approach to development management policies but believe a completely streamlined, national approach may not be agile enough to respond to distinct local issues. Development management policies allow authorities to assess proposals in line with their vision for an area, and in relation to the local context, so we believe that local discretion is vital.

7. A) Do you agree with our proposals to replace existing legal and policy tests for Local Plans with a consolidated test of "sustainable development" which would include consideration of environmental impact?

CCN members agree with the approach to simplify the existing legal and policy tests with a consolidated test of "sustainable development". A simpler test could speed up the process of getting a plan in place. However, the White Paper gives little information about how this would work in practice, or what the principles lying at the heart of the new test might be. Any new test must be rigorous enough to ensure that the environment impact of proposals, and the sustainability of new development, can be appraised. CCN also supports the LGA's point in their response that any new legislation must align with the ambitions of the Government's 25 Year Plan to Improve the Environment.

We also believe that there needs to be a much stronger emphasis on the creation of sustainable communities as well as the sustainability credentials of individual development. Much needs to be done across the Built Environment to secure a reduction in carbon emissions and ensure that new homes, and other development, is net zero. The planning system provides authorities with the tools to make this achievable – and this will be necessary to meet climate change targets, and this must not be a missed opportunity to ensure that this happens.

B) How could strategic, cross-boundary issues be best planned for in the absence of a formal Duty to Cooperate?

CCN has long advocated for a stronger approach to strategic spatial planning believing the void between the local planning authority level and national policy level has led to a lack of a joined-up approach to planning across boundaries in relation to strategic infrastructure and investment. There has been no statutory strategic planning within England's planning system since 2011, when Regional Spatial Strategies were scrapped. Whilst there have been various attempts to introduce mechanisms, such as the Duty to Cooperate and the Statement of Common Ground, these have largely failed to effectively bridge the strategic planning gap.

As mentioned at the beginning of this submission, and throughout the response, CCN believes that it is now more vital than ever to reintroduce strategic planning and provide a broader canvas to think about and agree a vision and strategic priorities for an area. Whilst CCN has called for this for a number of years, we have never put forward a proposed mechanism. In order to put forward a solution as part of our response, CCN has worked with Catriona Riddell, a strategic planning expert, on a solution to fill the strategic planning void.

We attach a copy of the report, *Planning Reforms and Strategic Planning*, with this submission, but in summary the work highlights the need for a more integrated approach to strategic planning, and a system that supports long term sustainable growth as well as immediate economic recovery. In order to do this, the report proposes the following:

- **A new duty placed on all local authorities to support sustainable development.** These would replace or complement existing powers to promote wellbeing and should be linked to the proposed new definition of 'sustainable development'. Powers would be effected by all local authorities, working collectively with strategic partners.
- **Designated Strategic Planning Advisory Bodies (SBAP) to support sustainable development.** These would be set up across the country and at a minimum should include all local authorities (both counties and districts in two tier areas) and combined authority mayor (where relevant), Local Enterprise Partnerships, Sub-national Transport Bodies and leaders from the environment and health sectors. SPABs would come forward at locally agreed geographies but be agreed by the Secretary of State. SPABs would advise the Government on local growth priorities and how these support national objectives, and on local plan housing targets, ensuring that different spatial strategies have been fully tested and can deliver specific sustainable outcomes.
- **An Integrated Strategic Framework (ISF) prepared by local authorities in collaboration with key strategic partners.** These would be prepared by every SPAB but would not be part of the statutory development plan. However, they would play a key role in guiding local plans, particularly in testing the most appropriate spatial strategies (including distribution of growth) for delivering the shared vision and objectives, and providing a framework within which the proposed new approach to local plan allocations could be implemented. Key spatial proposals in the ISF would then be taken forward and tested fully through the planning process.

- **A ten year rolling Strategic Delivery Plan prepared as part of the ISF.** This would set out what strategic interventions (including any specific delivery vehicles) would be needed to implement the framework, when these interventions should be delivered and how key partners are contributing to the shared vision and objectives. It would also provide a basis for infrastructure funding and other strategic investment prioritisation. There would need to be clear responsibilities and accountabilities set out for all partners involved, with a robust risk management system with associated review mechanism(s) to highlight where a change in approach or intervention may be needed.

The report outlines how the proposed approach would provide a workable solution to the current strategic planning void and provide parity of role across all tiers of local government and stronger place leadership. It will also pave the way for a faster and more deliverable planning system with reduced risk of challenge and a clearer framework for developing the area-based approach set out in the Planning White Paper. Finally, it will allow for stronger alignment between local and national priorities, and a clearer framework for allocating and prioritising national and sub-national funding.

The work was developed by Catriona Riddell in conjunction with a range of planning experts. CCN supports the principles of this approach believing that they would bring partners together, allowing areas to set a vision across a broad area, and agree investment and strategic infrastructure priorities. This broader approach would help to put place-making at the heart of the planning system, whilst delivering objectives such as increased housing growth and levelling-up.

Over the coming weeks and months CCN will and we would welcome the opportunity to discuss the proposals with MHCLG in further detail. We will also be working with other sector bodies to test, develop and refine the proposals.

8. A) Do you agree that a standard method for establishing housing requirements (that takes into account constraints) should be introduced?

As we set out in our response to the previous consultation on Technical Changes to the Planning System, CCN agrees with the principle of a standard methodology to assessing local housing need – this reduces uncertainty, increases transparency and can help to provide significant savings to local authorities who would otherwise appoint independent consultants to prepare a housing need assessment. We also agree with the principle of a binding housing target, where there is a process of negotiation and agreement with the local planning authority before a binding target is set.

However, housing markets are extremely complex and CCN has concerns that the new methodology, which is proposed to be binding through the White Paper, will not be sophisticated enough to reflect local circumstances or local ambition to increase housing delivery. The use of an algorithm, particularly to factor in local constraints, we believe will be a crude tool and has the potential to undermine the democratic plan-led system.

The new approach is also concerning as it appears to remove local democratic control over housing numbers, instead returning to a national approach. The White Paper also does not give any detail over the proposed process that will be used in order to assess constraints and ensure that the housing target that is given to an area is realistic and deliverable. Whilst the proposal to keep some standard method is welcome, CCN members disagree that the final target should be taken out of their hands, and set by

national Government. Authorities also have innate knowledge of their areas, and will be able to factor in a multitude of considerations that can't be considered by automating the process, such as knowledge of developers that operate in the area, when setting and agreeing housing targets.

We believe that it is helpful to look back at how housing targets were agreed before 2010 that the system removed the national setting of mandatory housing targets. Before 2004, the statutory development plan comprised structure and local plans. Housing targets for Structure Plans were set in Government policy – through Regional Planning Guidance – but were based on advice and evidence developed by the structure plan authorities and were tested at examination. These were mandatory for each structure plan area but county councils then distributed this to each local planning authority.

Between 2004 and 2010, the statutory development plan comprised Regional Spatial Strategies (RSS) and Local Development Frameworks. Housing targets (at local planning authority level) again were set by Government and were still mandatory, this time through RSS, but were based on evidence and the advice from counties, UAs and National Parks who had a statutory advisory role (set out in Section 4.4. of the 2004 Act) and an examination. Each Section 4.4. authority developed the sub-regional strategy for their area within the region and advised on local plan distribution.

Previous regime's of setting housing targets have clearly been subject to collaboration with the relevant authorities, and we believe that this approach should be taken forward if the standard method is changed and becomes binding. This is increasingly important in the context of the Housing Delivery Test, where authorities can be penalised for not delivering against their target, and will allow for realistic targets to be set – which may be higher or lower – depending on local constraints and ambitions.

CCN's own analysis of the work by Lichfields, which estimates how housing targets might change as a result of the new method, shows that across the majority of CCN member areas the housing target using the newly proposed method would increase. However, across a few county areas, the numbers would set to decrease. In addition, analysis by the LGA, which includes metropolitan areas as well, shows that rural areas could be disproportionately affected by the new method with higher housing growth in these areas. Whilst CCN members welcome the ambition of more housing growth within their areas, this must be matched with the right infrastructure. County areas in particular face huge infrastructure funding gaps, and an increase in the number of homes in these areas will put pressure on existing infrastructure, from roads and public transport to doctors' surgeries and schools.

The suggestion to remove the duty to co-operate should also be taken into consideration when analysing the changes to the standard methodology. The duty-to-cooperate is currently the only mechanism that facilitates discussions around cross-boundary strategic issues. Although it has largely failed as an effective mechanism for strategic planning, CCN believes that the Government should consider it's replacement prior to implementing any changes to the system.

A more effective approach to strategic planning is necessary for a multitude of reasons. In high growth areas, particularly those in the South East with a high proportion of Green Belt land, authorities may struggle to accommodate all of their housing requirement within their authority boundary. A more effective strategic planning mechanism that looks at places over a wider geography would help to distribute

development more effectively, particular in areas that will struggle to meet their need. It would also assist in agreeing infrastructure priorities and a plan for investment which the system currently lacks. As noted above in question 7B, CCN supports the work of Catriona Riddell which has set out a strong approach to build a more effective strategic planning mechanism, and we endorse the principles and approach of this work.

Finally, we would raise the key issue of local authorities not having any control over build out rates. As set out in the final report of the Letwin Review, large sites can often be slow due to housebuilders not wishing to affect market absorbency rates. This must be taken into consideration in future housing delivery tests, when a local planning authority is doing all it can to allocate land and planning to meet housing need.

B) Do you agree that affordability and the extent of existing urban areas are appropriate indicators of the quantity of development to be accommodated?

These are two important factors that should be considered as part of any future housing requirement, but as mentioned above in our response to question 8A, housing markets are extremely complex and a variety of indicators will need to be considered and debated before any targets are set.

9. A) Do you agree that there should be automatic outline permission for areas for substantial development (Growth areas) with faster routes for detailed consent?

Whilst we support the principle of providing more certainty through the planning system, we are concerned over the intensive work that would be required by planning authorities in order to grant outline permission at the local plan stage. This is particularly the case for areas that are able to allocate a number of growth areas which would require multiple outline consents to be worked on concurrently.

The proposed timescales for getting a Local Plan in place is also a key concern, as are the time and cost implications, if allocations are to be accompanied by design codes and masterplans. Whilst we again agree with the principle of increased use of design codes and masterplans within the system, the target of 30 months to complete a local plan is likely to be very unrealistic.

In addition, it seems like a waste of time to require councils to go through such an exercise when developers and/or landowners can utilise the existing system to apply for full planning permission if they wish to pursue an alternative scheme that isn't covered by the outline permission in place.

B) Do you agree with our proposals above for the consent arrangements for *Renewal and Protected areas*?

Once again, we support the principle of providing more certainty through the planning system but remain sceptical about how this proposal will work in practice, including how increased use of permitted development rights for a fast-track to beauty will result in higher quality design. In addition, the promise of faster routes to permission seem undeliverable when local planning authorities are under pressure to prepare plans in a very short time frame alongside supporting design codes and masterplans. If this is to be truly deliverable, planning departments will need significant resourcing.

We would agree with the approach to consolidate other existing routes to permission such as simplified planning zone, enterprise zones and brownfield land registers, but the details of this must be consulted on before being taken forward.

C) Do you think there is a case for allowing new settlements to be brought forward under the Nationally Significant Infrastructure Projects regime?

We would not agree with this approach as this removes locally-led democratic control for schemes which would have a significant impact on a local area. Instead, we would advocate for the model set out in the report we are submitting alongside this response by Catriona Riddell. An enhanced approach to strategic planning would assist in testing the best locations for development, including growth areas, but will remain democratically-led with the opportunity for significant community engagement.

This could be explored in conjunction with reformed Development Corporations to deliver large scale projects. Some CCN member authorities have recent experience of establishing Development Corporations and would be willing to share their views as to how they could be reformed.

10. Do you agree with our proposals to make decision-making faster and more certain?

CCN supports the proposals to make decision-making faster and more certain, including the increasing use of digital tools to make this happen. This will require significant upfront investment, not only in technology, but also in training. Changes to digitise the system would need to be accompanied with a change in process to ensure adequate upfront community consultation, if that is to be the main way that communities are consulted on in the new system.

CCN supports the aspiration for greater standardisation of technical supporting information – this will make applications more transparent and accessible to scrutinise and should speed up the system.

We do not agree with the proposal that automatic refunds should be given if an application is not determined within the statutory time limit. Often this is due to a lack of information or additional supporting evidence from applicants and authorities should not be penalised for this. We support the LGA's call for greater incentives rather than penalties for things that authorities cannot often control.

11. Do you agree with our proposals for accessible, web-based Local Plans?

We support the approach to make Local Plans web-based and more accessible. The planning system would benefit from being more communicated more visually, so that communities can actively participate in the system and understand what is proposed, how it will look and what benefits development will bring to an area. It is also likely that a digitised system of plans will be quicker to update, making revisions and updates easier to undertake.

Once again, we reiterate that authorities will need additional resources to undertake these changes.

12. Do you agree with our proposals for a 30 month statutory timescale for the Production of Local Plans?

As mentioned earlier in our response, CCN members believe in the plan-led system, and understand the importance of getting a plan in place expediently. However, with much of the focus placed up-front on the system, with plans setting both outline permission and permission in principle, and a stronger emphasis on the use of design codes and masterplans, we believe that the 30 month statutory timescale is not realistic to get new plans in place.

This is particularly true when it is considered that the main practice of community engagement will also be at the plan-making stage, despite a lack of detail around how a new model of community engagement will work. There is a risk that putting pressure on authorities to get a plan in place with sanctions for not delivering will reduce or limit the opportunity for meaningful engagement with communities, particularly if there is reduced opportunity to comment on schemes as they come forward.

Greater capacity in resources across the sector - in local planning authorities, highways authorities and the Planning Inspectorate – will be needed to support this ambition.

13.A) Do you agree that Neighbourhood Plans should be retained in the reformed planning system?

We agree that Neighbourhood Plans should be retained in the reformed planning system, as they increase local participation in the system. They could also provide a useful form for preparing localised design codes that meet the aspirations of communities.

If Neighbourhood Plans are to remain a part of the system, we believe that additional funding will be necessary in order to ensure that every place across the country has the recourse to prepare one if they choose.

B) How can the Neighbourhood Planning process be developed to meet our objectives, such as in the use of digital tools and reflecting community preferences about design?

We agree that increased use of digital tools could make the Neighbourhood Planning Process more responsive and agile. Local authorities will need to be adequately resourced for any changes.

14. Do you agree there should be a stronger emphasis on the build out of developments? And if so, what further measures would you support?

We agree that there should be a stronger emphasis on the build out of developments. As the LGA have stated [nine in 10 planning applications are approved by councils](https://www.local.gov.uk/housing-backlog-more-million-homes-planning-permission-not-yet-built), and more than a million homes given planning permission in the last decade have not yet built⁵. Whilst we support the principles throughout this consultation of speeding up and providing more certainty through the planning system, this must be complimented with

⁵ <https://www.local.gov.uk/housing-backlog-more-million-homes-planning-permission-not-yet-built>

additional measures that place onus on developers and landowners to build out once they have been given planning permission.

There are ways that quicker build out rates could be encouraged through planning policy, including implementing the recommendations of the Letwin Review to diversify housing development and rely less on homogenous developments. The Letwin Review states:

"if either the major house builders themselves, or others, were to offer much more housing of varying types, designs and tenures including a high proportion of affordable housing, and if more distinctive settings, landscapes and streetscapes were provided on the large sites, and if the resulting variety matched appropriately the differing desires and financial capacities of the people wanting to live in each particular area of high housing demand, then the overall absorption rates – and hence the overall build out rates – could be substantially accelerated."

We therefore urge the Government to take these recommendations into consideration as part of the new planning system – this would not only have the benefit of speeding up build out rates, but also providing a range of housing suitable to a range of incomes.

Finally, consideration should also be given to penalties on developers who do not build out sites as agreed. Such sanctions could include council tax charges for any new home that is not built, or business rates forward charged on commercial development that does not come forward. Often, building rates are completely out of control of local authorities, so they must be given some tools that they can use to encourage build out of schemes if they are to be held to account through the Housing Delivery Test.

Pillar Two – Planning for beautiful and sustainable places

15. What do you think about the design of new development that has happened recently in your area?

Not applicable.

16. Sustainability is at the heart of our proposals. What is your priority for sustainability in your area?

CCN members do not agree that sustainability is at the heart of the proposals set out in the White Paper. Aside from the introduction of a new simplified Sustainability Test, there is little content within the White Paper that evidences any of the new proposals will lead to better 'place-making' outcomes or provide a guarantee that the developments of the future will contribute to reducing carbon emissions and tackling climate change. We urge the Government to consider how the planning system can be given the tools to secure a more sustainable future – failure to do so will be a huge missed opportunity and runs the risk of leading to a failure to meet climate change targets.

17. Do you agree with our proposals for improving the production and use of design guides and codes?

We agree that greater use of design codes could add value to the system and promote better quality design and neighbourhoods, but believe the system should not be bound

to binding codes that inhibit creativity. We agree that it will be vital to update the National Design Guide, National Model Design Code and the Manual for Streets.

Although the White Paper states that the design codes will be used to uphold high environmental standards, there is no detail as to how this will be done. Clearly the creation of design codes will have resource implications for authorities, and this must be recognised.

18. Do you agree that we should establish a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making?

We understand that proposals have already been announced for a new design body, announced by the Secretary of State on 22nd September 2020, tasked with driving up design standards and supporting local communities to produce design codes defining beautiful design in each community. It is vital that local government, as the bodies who will be responsible for taking design codes forward, is represented on any steering group that develop proposals in this area.

We support the proposals for additional in-house design skills and knowledge within local authorities. It is extremely important that they have in-house expertise ensure high-quality design and scrutinise developments as they come forward.

19. Do you agree with our proposal to consider how design might be given greater emphasis in the strategic objectives for Homes England?

We agree that design should be a consideration, but this should not take priority over other policy considerations such as the delivery of high-quality affordable housing and wider place-making principles.

20. Do you agree with our proposals for implementing a fast-track for beauty?

CCN members welcome the emphasis on design throughout the White Paper – high quality design can improve quality of life and general wellbeing – but believe that some of the proposals for implementing a ‘fast-track’ to beauty go too far to further deregulate the system. We can see the merit of updating the National Planning Policy Framework to make it clear that that schemes which comply with local design guides and codes have a positive advantage. These schemes will of course need to be assessed objectively against other material considerations, such as impact on transport, before they can be taken forward. We remain concerned around the proposals to legislate to require that a masterplan and site-specific code are agreed as a condition of any permission in principle which is granted through a plan given the time and resources that it will take to get these in place.

Our principal concern, however, is with the proposals to widen and change the nature of permitted development allowing developers to avoid the planning system and follow a national pattern book approach to intensify areas. Permitted development has not got a good track record of delivering high quality development across the country, and we would like to see more details around how the proposals would be assessed, including the details for any prior approval that would be required. Local authorities must also have recourse to assess proposals for the impact that development may have on an

area, and ensure that existing infrastructure is not put under increasing pressure as result.

Pillar Three – Planning for infrastructure and connected places

21. When new development happens in your area, what is your priority for what comes with it?

For CCN members, it remains of vital importance that the right infrastructure is delivered alongside new housing. This includes high quality, sustainable physical infrastructure from roads, cycle ways and railways to social infrastructure such as schools, health facilities, leisure centres and green spaces. A stronger approach to strategic planning should be central to ensuring housing and infrastructure are joined up, as we outline above in our response to question 7b.

22.A) Should the Government replace the Community Infrastructure Levy and Section 106 planning obligations with a new consolidated Infrastructure Levy, which is charged as a fixed proportion of development value above a set threshold?

CCN has long advocated for reform to the developer contributions system believing that there are more effective ways to capture greater uplifts in land value to secure contributions towards infrastructure. Much of our work in this area has focussed on the infrastructure funding gap that CCN member authorities face. We are cognisant of the fact that the developer contributions system was not designed to be a panacea for infrastructure funding but believe that better methods of land value capture and guidance around viability would assist in collecting higher contributions than the current system.

CCN welcomes the principles of the new consolidated infrastructure levy as set out at point 4.5 of the White Paper, particularly the proposals to ensure that any new levy remains responsive to market conditions. However, whilst the principle of reform is welcome, we are concerned that the new system would not address many of the concerns that CCN members face within the current system.

Our members bear differing planning responsibilities under existing planning regulations. Crucially, county councils lead on the provision of infrastructure, flood risk and on economic development that supports housing and other developments in district local plans. CCN's 11 county unitary members are responsible for both development planning and infrastructure delivery.

In two-tier areas the lack of joined-up working and lack of statutory duties on councils to work together means that county councils are often a recipient of the developer contributions system rather than playing a proactive role in its rate-setting, negotiation and collection. Any new system must ensure that both tiers of local government are able to secure adequate contributions for infrastructure, and we refer to the proposed approach set out in the report by Catriona Riddell that accompanies this submission. We believe that the Strategic Planning Advisory Bodies, as set out in the accompanying report by Catriona Riddell, could provide a forum to set rates and agree how infrastructure funding is spent, along with the potential to pool contributions to fund strategic infrastructure if there is a desire or need to do so.

In addition, CCN members are concerned that the Levy would not be sufficient to fund the required infrastructure that development would require in addition to affordable housing. Whilst we appreciate that authorities will have differing priorities and the levy will not be able to fund everything, it is vitally important that both are delivered and authorities are not pressured into making extremely difficult decisions and trade-offs as a result. Although the current system is not perfect, it's provisions do allow both affordable housing and other vital infrastructure to be delivered.

There are also other questions that would need to be answered around the process of paying the levy, including questions around the process of implementing the levy and making sure that it is fair. These questions include:

- Who would be responsible for valuing properties?
- How would changes in market circumstances be reflected?
- Would arbitration be required to deal with discrepancies?
- Would it be possible for authorities to receive the levy in phases, before a development is completed?
- How would it be guaranteed that gaming of the system is avoided?

As outlined in the introduction to this response, CCN members would be very willing to work with MHCLG to develop these proposals in further detail.

B) Should the Infrastructure Levy rates be set nationally at a single rate, set nationally at an area-specific rate, or set locally?

If introduced, the levy should be set locally as local authorities will have an innate knowledge of the local land and property markets and will be able to set rates that reflect them. Setting rates nationally would lose local nuances and would likely have to be set too low so that most development would be able to capture some amount of levy.

The proposals set out by Catriona Riddell in the accompanying report *Planning Reforms and Strategic Planning* would provide a mechanism through Strategic Planning Advisory Bodies that would allow rates to be set at a strategic level, providing a level of consistency across a broad area, but allowing rates to be reflective of distinct areas in a similar way to CIL charging areas.

It is also unclear as to how the proposed consolidated levy would support the Government's agenda to level-up the country. Areas that have lower land values, which would therefore typically have to set a lower rate, will receive less thought the levy than higher value areas where rates can be set at a higher level. Areas that will be central to the levelling-up agenda will often have had significant underinvestment in infrastructure, and with lower land value and reduced contributions as a result, it is highly likely that another format of infrastructure funding would be necessary to unlock development potential. We would welcome further details of plans from the Government, including details of how funding streams such as the Housing Infrastructure Fund could be used to address these issues in areas with lower land values.

C) Should the Infrastructure Levy aim to capture the same amount of value overall, or more value, to support greater investment in infrastructure, affordable housing and local communities?

The principle of any Levy should be to capture the optimum amount of value that allows development to be viable, but also captures the highest amount of value to support investment in infrastructure, affordable housing and local communities. Any new Levy must be capable of providing adequate infrastructure related to new development, but must also allow authorities to respond to the cumulative impact of development to wider public infrastructure.

D) Should we allow local authorities to borrow against the Infrastructure Levy?

We support the proposal to allow local authorities to borrow against any future levy, but have questions over how this would work in two tier areas. As mentioned in our response to 22a, the current two-tier system leaves county councils out of the process of setting rates and negotiating contributions with developers. As education, highways and waste disposal authorities, county councils must have recourse to a fair share of contributions, and should also be given the powers to borrow against future income.

23. Do you agree that the scope of the reformed Infrastructure Levy should capture changes of use through permitted development rights?

Whilst overall CCN members do not support the principle of permitted development, we wholeheartedly agree with this approach, particularly in light of the increased emphasis on permitted development through this consultation. It is essential that any development, permitted or otherwise, contributes to local infrastructure.

When it comes to housing, we mirror the calls of the LGA and ask that, where required, local authorities should be able to secure on-site affordable housing where there is a need.

24.A) Do you agree that we should aim to secure at least the same amount of affordable housing under the Infrastructure Levy, and as much on-site affordable provision, as at present?

We agree that any new levy should secure at least the same amount of affordable housing under the Infrastructure Levy, but for reasons set out above have concerns that this will not be possible under the new regime. We also remain concerned that if affordable housing delivery is prioritised, there will not be sufficient funding remaining to deliver other essential infrastructure.

B) Should affordable housing be secured as in-kind payment towards the Infrastructure Levy, or as a 'right to purchase' at discounted rates for local authorities?

We believe that local authorities should have the flexibility to secure affordable housing in the most appropriate way for the site, and to allow them to deliver homes that best meet the needs of their communities.

C) If an in-kind delivery approach is taken, should we mitigate against local authority overpayment risk?

We agree that provisions should be in place to mitigate against overpayment. However, this should not be in the form of reducing contributions, or affordable housing provision, up front. A phased approach to paying for contributions could provide a solution, allowing for a reduced final payment to take into account previous contributions over the course of build out.

D) If an in-kind delivery approach is taken, are there additional steps that would need to be taken to support affordable housing quality?

We believe that, as now, in-kind affordable housing would best be delivered by a regulated affordable housing provider. We also endorse the point raised by the LGA which sets out the need for a much more robust mechanism to ensure all new homes are built to a recognised level of quality.

This could be delivered through a requirement to meet specific housing and design sustainability standards. For example the Mayor of London, has [housing design standards](#) for the Homes for Londoners: Affordable Homes Programme 206-21. This covers environmental standards; space and accessibility standards and security and access standards.

25. Should local authorities have fewer restrictions over how they spend the Infrastructure Levy?

Yes – we believe that local authorities should have flexibility on how they use any income from the levy to deliver local priorities. We advocate the use of pooling contributions across authority areas where this could help to deliver strategic infrastructure that would have an impact across multiple authority areas. The proposals set out in the report by Catriona Riddell proposes a model where this would be possible.

26. Do you have any views on the potential impact of the proposals raised in this consultation on people with protected characteristics as defined in section 149 of the Equality Act 2010?

It will be important to ensure that no communities are excluded from engaging in the system due to the enhanced emphasis on digital tools. It is likely that a range of consultation methods will need to be utilised to ensure maximum reach to communities.