

Insights

THE KING'S SPEECH: HINTS AT THE PLANNING REFORM TO COME

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SUMMARY

So, now is the time to deliver. Among an abundance of new legislation announced in the King's Speech, we see the legislative beginning of a heavily trailed reform to the planning system with the delivery of high quality housing and infrastructure both name-checked.

We had the teaser from Rachel Reeves speech on the "economic planning system" last week, and following His Majesty's opening of the new Parliament we now await the detail.

What can we expect?

INFRASTRUCTURE

The King's Speech promised planning reform to deliver high quality infrastructure.

WHAT IS GREAT BRITISH ENERGY AND WILL IT MAKE A DIFFERENCE?

A commitment to infrastructure delivery through Great British Energy – being the platform from which central Government will ally public and private investment to deliver on its policy objectives.

Government knows that, to be successful politically, it must convince people that reform has improved their lives and so we see repeated emphasis on Great British Energy having the objective of bringing down energy bills and creating jobs.

The notable point at this stage is the signalling to the market – Government will be active in creating a structure that supports renewable energy generation at the national, regional and local level. The message is clear: they are willing to be permissive in solar, onshore wind and other renewable sources that previous administrations have appeared reluctant to support.

Potential private investors are being invited to gain confidence from this co-ordinated approach and they should do so. However, to succeed it will need to form part of a co-ordinated overall

commitment to the sector. It is all very well talking the game of reducing reliance on overseas energy generation, but the UK will continue to need the raw materials from overseas suppliers and it will take time to up-skill and up-scale manufacturing in the UK for the “good” jobs that are promised.

WHAT IS PLANNED FOR THE CONSENTING OF INFRASTRUCTURE PROJECTS?

We did not hear anything new in the King’s Speech in relation to plans to change the consenting process.

There is an existing consenting regime for nationally significant infrastructure projects which has shown over the last 16 years a successful track record of consenting projects. There is room for improvement as the overall time period to achieve consent has steadily increased in recent years– a streamlining of the process and in particular pre-application engagement could be a key factor in speeding up the process, while clearer and up to date national policy statements will give direction and confidence to promoters.

There is talk of taking a broader view of the types of projects that qualify for this consenting route, but we may just need to be careful what we wish for. There is a suggestion that data centres and other critical commercial/industrial development may be classified so as to qualify for the infrastructure consenting route. It is not clear whether this will be an optional alternative or a mandatory requirement. Are promoters ready for the level of pre-application public engagement and intensive paper-based examination of proposals that comes with the current regime? Can the current regime be adapted to enable the flexibility that promoters of commercial development are used to in order to respond to changing market and technological expectations?

HOUSING

The King’s Speech promised planning reform to deliver high quality housing.

WHAT WILL BE THE REAL EFFECT OF RELEASING “GREY BELT” LAND FOR DEVELOPMENT?

Again, this is all about the signalling. The reality is that grey belt land (once we know exactly what it is) will be a relatively small proportion of the green belt. The Labour Government’s actual stated policy retains the preference for brownfield development but it is the signal to local authorities that the expectation is that they must ensure that sufficient land is released for development to accommodate the, to be re-introduced, housing delivery targets.

The Government appears ready to give local authorities the opportunity to deliver the development that is required but stands ready to intervene. The market should take confidence that such interventions, where the economic case is made, is likely to be accompanied by a permissive approach.

There was no mention in the speech of a more strategic, large-scale approach such as a New Towns type initiative so we watch this space on that.

HOW WILL DEVOLUTION HELP?

The King's Speech referenced devolving powers, including transport and planning powers, to Metro Mayors. This is part of an initiative to empower the regions by giving increased control to existing combined authorities and to encourage the creation of new authorities (although Angela Rayner has said that she will not compel regional leaders to follow this model). This move will be seen by many to be a positive step leading to a more coherent and consistent approach as combined authority areas compete with one another for development and investment and the economic benefits and funding incentives that may follow.

THE PLANNING PROCESS ITSELF

There was no mention in the speech itself of steps to ease the acute resourcing constraints faced by many local planning authorities. However, we understand Government intends to provide additional resource to local planning authorities as a more practical measure to make the system work more efficiently and to ensure authorities are properly resourced with staff with the necessary skills and experience. Interestingly, Government has referenced "modernising Planning Committees" which may be a redefining of the role of elected members in planning decision-taking. Whisper it quietly, but this great unsaid complication of the planning process may be about to be subject to long overdue reform.

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MEET THE TEAM



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