

Levelling Up, Housing and Communities Committee

Oral evidence: Levelling-up and Regeneration Bill, HC 309

Monday 18 July 2022

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Members present: Mr Clive Betts (Chair); Bob Blackman; Sara Britcliffe; Florence Eshalomi; Ben Everitt; Darren Henry; Kate Hollern; Mary Robinson; Mohammad Yasin.

Questions 166 - 207

Witnesses

[I](#): Andrew Wood, Spatial Planning Lead, Council for the Protection of Rural England; Kate Henderson, Chief Executive, National Housing Federation; Ian Fletcher, Director of Policy, British Property Foundation.

[II](#): Alan Law, Deputy Chief Executive, Natural England; Edward Hobson, Director of Place, Design Council; Jonathan Werran, Chief Executive, Localis.

Examination of Witnesses

Witnesses: Andrew Wood, Kate Henderson and Ian Fletcher.

Chair: Welcome, everyone, to this afternoon's session of the Levelling Up, Housing and Communities Select Committee. This afternoon, we are having another evidence session in our consideration of the levelling-up Bill going through Parliament, and we are going to be looking at planning matters within that piece of legislation.

We have two panels of witnesses. I will come to the first panel in just a second, but I will begin by asking members of the Committee who have particular interests that may be relevant to this inquiry to put them on the record. I am a vice-president of the Local Government Association.

Kate Hollern: I employ a councillor in my office.

Mohammad Yasin: I am a member of Bedford town deal board.

Bob Blackman: I am a vice-president of the Local Government Association and I employ councillors in my office.

Mary Robinson: I employ a councillor in my office.

Sara Britcliffe: I employ councillors in my office and have family members who are councillors too.

Q166 **Chair:** Thank you all for that. Now we come to our witnesses. I will come to the two witnesses who are with us in person first and then to our one witness who is online.

Kate Henderson: Hello. I am Kate Henderson. I am chief executive of the National Housing Federation.

Ian Fletcher: I am Ian Fletcher. I am director of policy at the British Property Federation.

Andrew Wood: Good afternoon. I am Andrew Wood. I am spatial planning lead for CPRE, the countryside charity.

Q167 **Chair:** Thank you all for joining us. Looking at the Bill that is now being considered in the House of Commons, it has been described not so much as a levelling-up Bill as a planning Bill with a bit of levelling-up wraparound. Is that a fair description or is that a bit over the top?

Kate Henderson: It is certainly clear that planning and housing play a central part in this legislation. It is a reforming Bill when it comes to planning, which has some positives, but some questions arise around ensuring that we protect the delivery of much-needed affordable housing. There is a lot of content in this Bill, but the impact on the delivery of affordable housing is key to us.

Ian Fletcher: I see it more as, I suppose, a regeneration Bill with a levelling-up wraparound. There is a lot in there that affects property, CPO reform, and things like development corporations' high street auctions of commercial property. I worry about the time that we have already taken in getting this Bill to this stage and the impact that that has on local plans and local councils delaying those local plans. I am heartened in that Government are trying to think about how we can deliver more housing, and planning reform is a part of that.

Q168 **Chair:** I have one specific point there. I know that we will come to local plans in more detail in a minute, but are you saying, Ian, that your concern is that the delays mean that there is, basically, a freeze or a pause in active consideration of local plans because everyone is waiting to see what happens?

Ian Fletcher: Yes, several local authorities have gone on record saying that they will delay their plans until after they see the shape and form of the Bill. As I say, it is now two years since the White Paper was published, so that is a significant concern. I can understand, and have absolute sympathy with, those local authorities. It costs about £1 million to produce a local plan from start to finish, so why would you waste that million if you are going to then be pulled back into the process again?

Chair: We will come on to local plans a bit more in due course.

Andrew Wood: Thanks for the opportunity to raise our concerns about this. In our view, it is a highly calculated step to put the making and

changing of planning policies and environmental regulations in the hands of the Secretary of State and the Executive, with a lot of the rest of the detail deferred to secondary legislation and to policy—in particular, things that we will come on to later in relation to the national development management policies, and the question of their proposed primacy over the development plan, and the environmental outcomes regulations.

With regard to levelling up, it is not so much a wraparound as a hollow shell, really. If you take a lot of the key spatial policy issues, like access to decent housing, public transport and green space, there are wild inequalities in all these, and yet the Bill says next to nothing about them. They are all significant strategic issues that need to be planned strategically, and we do not see that at the moment.

Q169 **Chair:** You mentioned one issue there that I will come back to the other two witnesses on, which is the lack of detail—the various placeholder clauses and other issues that will be filled out by secondary legislation. Is that a challenge in understanding, in the end, what the Bill is about?

Andrew Wood: It is a huge challenge, yes. It is difficult to scrutinise legislation that does not have the detail there. We do not know what the national development management policies will look like. We do not know what the environmental outcome reporting regulations will look like. The Government keep saying, “Trust us a little bit. It will be fine when you see the details,” but that is not appropriate. We have to ask what the main things are that planning and public policy more widely need to address, and it is the climate, nature, public health emergencies, social housing and spatial inequalities. What does the Bill say about those? It says, “Trust us. Wait and see.”

Ian Fletcher: I would wholeheartedly agree with colleagues from CPRE. There are a lot of areas in this Bill that are a leap of faith in terms of a very sketchy outline of what Government are seeking to achieve without the detail. You can think of the infrastructure levy, national development management plans, CPO, right to acquire, environmental outcomes, the Vagrancy Act and the alignment test. You could go on and on.

There are certain areas where that flexibility is welcome—for example, with the infrastructure levy going through a test and learn approach. Clearly, some flexibility in terms of the detail is advisable. For many of those areas that I listed, it is not a case of flexibility. It is simply a case of “Watch this space.”

Q170 **Chair:** Kate Henderson, add any comments you want to that as well, but you have a particular interest in the supply of new housing. Will the Bill do anything to improve the supply of new housing or constrain it in ways that it is currently not constrained? What is your view of the impact?

Kate Henderson: If I could take the previous question first, the changes that are proposed in this Bill could have a significant impact on the delivery of affordable housing. The detail that we have so far on the infrastructure levy is not enough. We have had lots of promises of what will come in secondary legislation.

I just want to give one specific example of why we need more detail on the face of the Bill. We had very good engagement with the previous Secretary of State, who gave us solid reassurances that he would support things like exemption from the levy for sites that were 100% affordable. We had reassurances, but he is no longer in post, and that situation has changed. Without having that defined on the face of the Bill, we have no guarantee that that will now come forward unless the Bill is amended with a clause to say that those sites would be exempt. We would support an amendment, but that is why we need more detail on the face of the Bill.

In terms of your question around whether we are confident that the Bill will deliver as much affordable housing, it is really important to note that the infrastructure levy is replacing, in the main, section 106 planning obligations. Section 106 planning obligations deliver around 50% of the affordable homes in this country, so changing that system is very high stakes in terms of our ability to tackle housing need in this country. We have 4.2 million people in need of social housing, and one in five children, so the stakes are really high with the change.

What is proposed with the infrastructure levy is a commitment to deliver affordable housing at current levels, and this is where the detail is really important. Current levels need to be based on objectively assessed need for affordable housing, not what the system is already delivering, because, whilst the system does deliver half of our affordable homes, we know that, in some areas, it is not supplying enough through section 106s. Again, it is about having current levels of affordable housing defined on the face of the Bill against objectively assessed housing needs, rather than baking in what is currently delivered.

Chair: We can pick those other housing issues up in further questions as well. Moving on, mention has already been made of the national development management policies, local and neighbourhood plans, and how they all fit together in the Bill, and Kate Hollern wants to explore that.

Q171 **Kate Hollern:** The Government state that the provisions of the Bill will simplify and standardise the process for local plans, so that they are more speedily produced. Is that a leap of faith? Will the Bill result in more effective plans produced more quickly?

Ian Fletcher: Certainly, our hope is that that is the case. There are two big question marks to that. The first is that, as well as simplification, we often find that local planning authorities simply do not have the resource to do all that is requested of them. Therefore, to some extent, as well as simplification, it is really important that we get that resource into local planning authorities.

The most contentious bit of the whole local plan process is housing and where housing is situated, and you are still not taking that away. That is, in terms of land provision, really contentious. The one bit that does not really feature in the Bill and is to follow, which is really important in terms of housing delivery numbers and how contentious those issues are,

is the new housing requirement test, how that is framed and, particularly in those local authorities that are land constrained, how the politics of that play out.

Kate Henderson: We need a strategic approach to how we deal with affordable housing in this country. Planning is a democratic process nationally, locally and at a neighbourhood level, and we need clarity if we are going to have consent and trust from the communities in which we are working. If we are going to deliver the types of neighbourhoods and the quality of housing that we want to see, we need to bring people with us, and this is quite a fundamental shift.

The idea of having simpler planning and more clarity nationally is great, but that needs to be democratic and needs to be clear in terms of how the weighting of that policy nationally sits with local planning policy and neighbourhood planning policy. With the level of detail in the Bill at the moment, that is not yet clear, but it is very important that we have local consent, that we respect local democracy and that our local authorities are empowered, but also that, strategically, they work together and this matches up to housing need. At the moment, the detail of how this will work in practice is not clear in the Bill.

Andrew Wood: I would agree with most of what has been said. We would rather see good plans than quick ones, and we need to understand what slows plans down. A lot of that comes down to key policies in sites that are highly contested. As has already been said, it comes down to lack of resources, which are getting pretty desperate within local planning departments, with regularly shifting political goalposts as well. Having national development management policies could help in relation to some of the decision-making elements, but in order to get the local flavour and the detail of the planning system right you need the spatial strategies, the design codes and the neighbourhood plans, and all of those need skills, consultation and scrutiny, which takes time to be done properly.

Q172 **Kate Hollern:** Is there a shift from local to national? I accept what you say about local plans, having been involved in a number of them over the years. They are time-consuming and always controversial, and there have been occasions where they have been overturned nationally. Do you think that this is this shifting more power to Whitehall and taking it away from local authorities?

Andrew Wood: Yes, I do, and that is a very important question. We see it as a power grab. It is the most fundamental change to the planning system that is in the Bill. This is not just CPRE's view. We also work with 27 other organisations in what is called the Better Planning Coalition, and many organisations across that feel the same way.

In essence, at present, if a national policy points to a decision not being in accordance with a development plan, the decision maker weighs that in the balance. They have discretion. In what is proposed in the Bill, that is turned on its head, and the decision maker must find in favour of the national policy. There is no discretion. That is a very fundamental change

that will have, in our view, a harmful impact on the democratic process and trust in the planning system.

Q173 **Kate Hollern:** Kate, can you comment on that? You spoke earlier about the importance of local democracy and consultation. Do you feel that it is a massive shift?

Kate Henderson: There is a really big challenge here. This Committee has looked at the evidence before around housing need and the need for 340,000 homes and 145,000 affordable homes, of which 90,000 would be social rented homes, every year for the next decade. The problem is that we have no way of working these things out. The idea of having these development management policies is about trying to help local authorities get plans into place quickly, but we do not have a spatial view of how this all adds up. We do not know if the sum total of 300-plus local authority decisions on housing need is going to meet that bigger target.

Without a national or regional strategic picture cascading down to the local picture, there is the potential for conflict with these policies. I personally think we do need to talk about 300,000 homes. We do need to look at our national need, how our population is changing and growing, and what our families and communities need. That needs to be scrutinised politically at national level and adopted. There is a role for democracy nationally, and then there is a very important role locally for local authorities to have the evidence base, to have objectively assessed housing need, and to incorporate that into local plans.

I do not know whether there is enough detail in what is proposed in the Bill in terms of how this is going to work in practice, but it does feel like there could be some conflict here between national policies, without the bigger picture, and then local plans.

The bigger issue, though, as Ian has mentioned, is for local authorities. I do not know what planned coverage is at the moment—maybe around 40%. Local authorities need the skills, the capacity and the evidence base to get these plans in place as well. National development management policies can help shift the dial on that, but authorities need the capacity and the expertise, and they need to have local plans in place that will make this less of a big issue in terms of practice, but we are not at that stage.

Ian Fletcher: I often feel like Johnny no mates on these occasions, because I represent not only housing but commercial property as well. In many respects, having an up-to-date plan and a system that is working quickly is as important, if not more important, for that commercial property. Think of the changes in people's services and employment that take place. My members are not about pushing sand uphill. Ultimately, they want to support what the community wants, and the best expression of what the community wants is that local plan, so I dearly hope that we do get to that stage of delivering local plans in 30 months. At the moment, as Kate has said, there are about 70 local authorities that still have not put a plan in place throughout the duration of the national

planning policy framework, which is now a decade ago, so we need to get a system that is delivering.

Q174 **Kate Hollern:** On that point, do you feel as though these proposals will give councils enough flexibility to tailor policies for economic growth to support and develop businesses, and take into account the real need for affordable housing?

Ian Fletcher: I think they will. There are a lot of areas where there is significant consistency between different local plans. My understanding is that national development management policies would be derived in part from what is already in the national planning policy framework. We can think of areas, whether it be pollution, flooding or historic environment, where there would be a great deal of consistency between local authority policies. So a little more consistency there would not go amiss.

In terms of developing for economic uses, one thing that worries me in the Bill is the alignment test and the extent to which strategic planning is often more important for those employment uses. We have people who are developing big logistics sheds that will service a number of local authority areas, and we seem to be further weakening that strategic planning across different local authority boundaries. With the alignment test, we seem to have moved off the duty to co-operate to an even weaker system. For those members, we are not in as good a place as we were.

Kate Henderson: Just on the lack of strategic planning, strategic planning is not some Stalinist intervention. It is just thinking about what goes where. It is thinking about population change, about how we get to work, about how our communities need to adapt to climate change and about sea level rise. It is about thinking at the appropriate spatial scale and having the mechanisms to do so.

We have some parts of the country, like Greater Manchester, where they are planning together and have a democratic framework for doing so, and it works, but we have seen how that has also been really challenging in other parts of the country. Again, the detail of what is proposed in this Bill is so high level that it is hard to know if it will work in practice, but strategic planning is a good thing. It will help encourage investment. It will make us more resilient. It will enable us to be better prepared for an ageing population. It will enable us to think about health and food. These are the things that matter to everybody in society, yet we really struggle with this, because it crosses local authority boundaries. But kids cross local authority boundaries every day to go to school, and that is okay—nothing bad happens.

If we could get to a place where we start thinking about strategic planning as a really useful tool for thinking about how we can be the most prosperous, resilient and sustainable society, that would be a great place to be. I do not really see that in the Bill.

Q175 **Kate Hollern:** I will agree with you on that. Planning is a very important

tool for stimulating growth and economic plans cross-boundary, and Greater Manchester is very good at it. My concern is that the national policy could restrict that.

Andrew Wood: I would completely support the points about strategic planning. Your question was also about local authorities having flexibility. I cannot think of any policy area where a local authority might not want to do something finer grain within a strategic context that is locally more relevant. They will always need some wiggle room.

There is nothing wrong with having national policies. They could be perfectly good, but they have to be a baseline or a benchmark that still leaves plenty of room for flexibility. An example might be, in relation to affordable housing, which has already been mentioned—having thresholds for smaller sites. That can be okay in some urban areas, but it could mean zero affordable housing delivery in many rural areas. If an affordable housing threshold was a standard for which there was no wiggle room, that could be really bad. So that flexibility is really important.

Q176 **Kate Hollern:** Finally from me, how do national development management policies compare to national policy statements, and should they be subject to the same standard of consultation and scrutiny?

Ian Fletcher: As we have all articulated, we are, to a large extent, stabbing at the dark at the moment. We do not know what these national development management policies will look like. Therefore, there is a significant case for scrutiny, both as the Bill is passing, but also in terms of the parliamentary process that national policy statements have to go through.

Kate Henderson: National policy statements are publicly consulted on and then scrutinised in Parliament. If we are bringing in national development policies that are going to affect lots of local authority areas, it would be really sensible to do the same thing. It might get more communities and more people engaged in planning if there is a good public consultation as well as the parliamentary scrutiny of these policies.

Andrew Wood: I completely agree with that. The Planning Act 2008, which governs national policy statements, has several sections that set this out. I would add the requirement for sustainability assessment, which applies to national policy statements as well. Basically, the requirements are there for sustainability assessment, for consultation and for parliamentary scrutiny, and I cannot see any reason why they should not apply equally to NDMPs.

Q177 **Mary Robinson:** Almost 50% of total affordable housing is currently funded through section 106 agreements. Much of this will be replaced by the infrastructure levy. What impact will this have on the resources for and the supply of onsite affordable housing provision? You have referred to this, but I just wanted to add that section 106 is being kept for large and complex sites. Is that the right decision?

Kate Henderson: First and foremost, it is crucial that the proposed changes to the planning system set out in this Bill protect the provision of much-needed affordable housing. We have had some really welcome engagement with Government on the infrastructure levy since the planning White Paper was first published, but we still have four key areas of concern about the provision of onsite affordable housing, which I will run through very quickly.

First and foremost is the point that I have made around protection. The Bill talks about a requirement to meet current levels of affordable housing. It is really crucial that, on the face of the Bill, that current level is set out. That should be based on objectively assessed need for affordable housing, rather than what the system is currently delivering. We do not want an under-supply baked in. That would be a step in the wrong direction.

Second is onsite provision of affordable housing. While section 106 is not perfect, it does deliver mixed communities. It is vital that we keep to that ambition of creating great places where people of all backgrounds and all incomes can afford to live. That means delivering mixed tenure, and delivering that mixed tenure onsite. At the moment, that is not set out on the face of the Bill and we would like it to be.

Third is viability, which varies from site to site. It is good to see that the infrastructure levy is now going to be set locally. What is really important is that we use that test and learn approach to make sure that we are getting the levels of affordable housing that are set out in local plans, based on need. It would be great if that test and learn approach was piloted in areas of really low land value with high regeneration need, as well as in parts of the south, south-west and south-east, where there are higher land values, in order to make sure that it works in all areas of country.

Fourth is the point around exemptions. If you are delivering a 100% affordable housing site, it should be exempt from the infrastructure levy. Again, that would lead to the delivery of more affordable housing. We had some very welcome words from the previous Secretary of State. Unfortunately, he is no longer in post, so we would like to see that set out on the face of the legislation.

Sorry, what was your second question?

Q178 **Mary Robinson:** Section 106s being kept for the larger, complex sites. Is that right?

Kate Henderson: It is right, particularly in the short term. We know that section 106 delivers. It can deliver the infrastructure up front and the things that make development acceptable as well. It is about not just the affordable housing provision, but the local school, the play spaces and the things that make development acceptable to that local community. What we do not have on the face of the Bill is what is a complex site and what is a large site, and so, again, some more detail would be welcome.

Ian Fletcher: Kate has covered a lot, and I would not disagree with anything that she said, but I would pick up a couple of points. As Kate has said, important in any framework for the 106 on large sites is that we do not restrict it just to housing development. That is really important for a number of our developers that are delivering big mixed use. If you think about places like King's Cross, Canada Water or Salford Quays, those are sites where you need significant infrastructure to go in and to create place, as Kate has illustrated. Ensuring that there are no restrictions—it has to be X housing numbers—is important.

A second issue that I would raise is a concern about the infrastructure levy and how it is valued at the end of the process. Something that we have continuing dialogue with Government on and have not really reached a conclusion on is this idea that it should be valued on gross development value. Gross development value is very easy to value where you have a development. Where it is homes for sale, it is the price of the homes, and there is an easy market price that you can determine. When you have circumstances where you have a commercial property, a build to rent or something like that, it is significantly more difficult to value. This is meant to simplify. What we do not want is a system where we just end up in lots of arguments about those valuations.

The third thing is that I have been in conversations with officials where they have forewarned me that this is not a pilot but a phased delivery. There is not going to be a stop point where we step back and evaluate and there is some independent evaluation. It is going to be a rolling process, and so I worry about that, particularly in terms of those first movers and the local councils that do this first. I can remember that, from the implementation of CIL, Newark was the first local authority that brought in a CIL schedule. It got it badly wrong and was not able to go back then and revise what it had set. So ensuring there is that flexibility as well is important.

Andrew Wood: I have nothing to add on that. I have a couple of thoughts on the levelling-up aspect, but I have nothing to add to the points that have been made.

Q179 **Mary Robinson:** You have cued me in very nicely for the next question. The levy will be locally determined and locally spent, and the vast majority of the revenues available are likely to be in the south of England. How do you expect the levy will support levelling up?

Andrew Wood: Obviously overall affordability is worse in the south-east. Anywhere with currently low CIL revenues will have exactly the same problem with the infrastructure levy. The system as it stands is not providing for people's needs in any parts of the country. I do not see that the infrastructure levy will change that.

Thinking about the areas of the country that I have worked in at a local level, which is South Yorkshire, Derbyshire and so forth, we are dealing with areas where the actual policy targets have been reduced to almost nothing, not because the affordability has improved but because of the

viability of providing it and knowing that you have an unimplementable policy. This certainly happened in quite a bit of South Yorkshire—certainly in Sheffield, and Mr Betts will be familiar with this. In any areas where there are low or zero rates of CIL, the revenue for infrastructure is also going to be expected to provide affordable housing, and you just cannot see how that revenue will be there.

Kate Henderson: It is right that the Government have moved away from a flat national level for the levy and that it can be set locally, based on local viability. We will see the levy then vary in what it is able to deliver in different parts of the country. In those areas that have lower land values it may not be viable to deliver sufficient levels of affordable housing and other things that the community needs.

Alongside this Bill, part of the levelling-up White Paper repurposed Homes England as a housing and regeneration agency. That is a really positive step forward—actually thinking about place and how we can improve place through regeneration, investment in social infrastructure as well as physical infrastructure. Housing should be part of that. Alongside the test and learn approach with the levy, to make sure it works in areas of low land value, what is the role of our national housing and regeneration agency where viability is compromised?

As part of that, we would like to see a shift in focus with the affordable homes programme, which at the moment is just focused on net additions of affordable housing. We absolutely need the new housing growth, but, in some places, we really need to replace homes too. At the moment, you cannot do replacement through the affordable homes programme. It is just net addition.

Alongside this Bill—I know that the Committee is focused on the Bill right now—it would be fantastic if you could also look at that issue. That would be the catalyst to change—actually having grant rates investment through the affordable homes programme into housing-led regeneration, as well as just looking at new supply.

Ian Fletcher: It is one of the significant flaws in the existing system. My parents live in Shotton Colliery. There are a number of new developments there and they do not get the kit, in terms of the local school or the new health centre that you would get on a development in the south of England.

At the same time, I think that, at the last count, something like £2.5 billion of developer contributions were unspent. I think that I put in my written evidence to the Bill Committee that there should be some sort of “use it or lose it”. My members are not expecting that money back. It sometimes comes back to them. It would be better if there was some way of recycling that money within the system so that, if it is not spent, it goes to other areas that need that infrastructure.

Q180 **Mary Robinson:** You mentioned earlier, Ian, the test and learn approach. Do you think that there will be a long period of adjustment

before the system has settled in, with two systems running in parallel? What would your thoughts be on that?

Ian Fletcher: I do not get the impression that this is going to be a small pilot. I think that Government are going to roll it out in a phased approach, and therefore it should be delivered relatively quickly. Clearly, there will be some processes to go through that will take time, just as with putting in CIL schedules. I suspect that 80% of local authorities will pretty much get their infrastructure levy schedules right. It is the 20% that do not that you worry about, in terms of the impact on delivery of development.

Also, if you get it wrong and there is an emphasis—and I agree with the emphasis—on affordable housing, the worry is that viability is viability, so you lose out on other things, whether that is the onsite mitigation or some of that social infrastructure. That social infrastructure is so important in terms of making places work.

Kate Henderson: We support the test and learn approach. The stakes are really high with reforming the mechanism that delivers half of the affordable homes in this country. Therefore, we think that it is better to test, to learn and to engage with councils, housing associations, developers and communities through this process. While there might be a parallel process going on of two systems, because the stakes are so high in terms of affordable housing delivery and the need we have, that is the best approach.

Q181 **Mary Robinson:** Finally, should the right to require have been included?

Kate Henderson: There is little detail on the right to require at this stage. We fundamentally need to be delivering inclusive mixed communities to have the mix of tenure on site. That is what makes places work really well. At the moment, we have very little detail on how the right to require is going to work in practice and how we are going to deliver on that.

Q182 **Sara Britcliffe:** Can I come to Andrew first? This is about how the Bill contributes to the Government's environmental aims. The Government claim that the provisions for environmental outcomes contained in the Bill will improve outcomes for our natural environment. Are you assured that that can happen? Can they make such a claim without the detail to be announced in the regulations?

Andrew Wood: That is a great question. The answer is that we are not sure at all. In particular, the Bill is as good as silent on the climate emergency. It gives the Secretary of State executive power to change environmental regulations, with a very weak clause. They could make a change to environmental outcome regulations that did not generally reduce protection but could cause a specific harm—for example, to a particular type of habitat. Those harms could slip through and accumulate over time.

There is also the question of the social and economic aspects of sustainability appraisal that are lost here. They seem to have disappeared altogether. The social and economic stuff not being measured, and this weak approach to non-regression in the environmental regardless, mean that you would expect the net effect for sustainability over time to be negative.

Kate Henderson: I have recently done a couple of visits to housing associations that have received social housing decarbonisation pilot funding. We have seen energy demand in homes reduced. We have seen huge investment in quality, great engagement, job creation and contractors learning how we get to net zero. What has really struck me is that levelling up and regeneration is also about the journey to net zero. It is about sustainability, affordability and quality. The quality of the places that have had that retrofit feels like they have been invested in and residents feel really proud. I feel like the net zero aspect is missing from this Bill.

Ian Fletcher: We had our national conference the other week. Chris Stark from the Climate Change Committee came and spoke. One of the most powerful messages he gave was that clearly Government can support environmental objectives, but the most parties in the room were the membership. It is businesses and individuals that ultimately will deliver sustainable outcomes, and therefore there is only so much legislation can do.

I do not think that the absence of sustainability in the Bill necessarily stops local authorities doing things. I see that at the moment. If you think about the City of London, it has an embedded carbon test that all new developments have to go through. If you think about Westminster City Council, increasingly it does not want demolition. It is looking at using the framework of existing buildings to develop what else it wants in its locality. Although there is not a great deal of sustainability in the Bill, I do not think that that is stopping innovation at a local level, where a local authority wants to drive that.

Q183 **Sara Britcliffe:** One criticism that we have of this proposed approach is that the Government have quite a big job on their hands to simplify such a technical area. Do you consider that simplification necessary? If it is, is it actually achievable?

Andrew Wood: It is necessarily complex, isn't it? Environmental and climate legislation is a cumulative framework that has built up over decades. This is not something to try to reinvent the wheel on, especially in the context of the climate emergency. We are seeing real impacts of that just this week. There is no time to get this wrong.

For the purposes of the Bill, there is quite a simple solution, in a sense, which is to make sure that it ensures proper consistency with all aspects of that existing cumulative framework, in particular the climate Act, the Environment Act and the habitats regulations. We should be clear on that and not say, "We are going to try to strip away stuff because it will make

it simpler.” They are actually overcomplicating it by trying to strip away detail.

Chair: Thank you very much to all our witnesses from this panel for coming to give evidence on a wide range of issues. Clearly, as has been said to us, we are not quite sure of the precise implications of some of the measures. We will no doubt wait and see, and probably have a further look on the Committee in due course. Thank you for coming this afternoon.

Examination of witnesses

Witnesses: Alan Law, Edward Hobson and Jonathan Werran.

Q184 **Chair:** Welcome to our second panel of witnesses this afternoon. Thank you very much for coming to join us. I will go down the table and ask you all to introduce yourself and say who you are.

Jonathan Werran: Good afternoon, everyone. I am Jonathan Werran. I am chief executive of Localis, an independent, place-focused think-tank.

Alan Law: Good afternoon. I am Alan Law. I am deputy chief executive at Natural England, which is a Government non-departmental public body sitting in the DEFRA group.

Edward Hobson: Good afternoon. I am Edward Hobson. I am director of place at Design Council, an independent charity. We are the national strategic adviser for design.

Q185 **Mohammad Yasin:** This Bill is described as a planning Bill with a levelling-up wraparound. Do you agree with this?

Jonathan Werran: It is fair enough, is it not? It is like a portmanteau. If this was a second-hand car dealership, it would almost be like a cut and shut job, as it is called in the trade. It is like an iceberg: 90% of the Levelling-up and Regeneration Bill is more planning focused. It has to be seen in the context of the failure to launch of the “Planning for the Future” White Paper and the strained birth of the English devolution and local recovery White Paper, before that eventually became the levelling-up White Paper. Given those two misfires, you have to see the Bill in that context.

The Government view—perhaps not an incorrect view—is that the planning system as it is, and local government architecture, are suboptimal for development and regeneration, so here we go again. In a sense, both planning and levelling up and regeneration can be seen as components to be reformed. Although the Bill is being sold as the opposite, with planning just seen as one component of levelling up, it feels that they are using the Bill to progress planning reform. There does not seem to be that direct linkage or connection between the two. The planning aspects seem to be more aspirational—more of the quality you would expect of a White Paper, with no specific proposals you could hang your planning hat on, so to speak.

For those reasons, both issues are resurfacing in the Bill. From the "Planning for the Future" stream, we see the need again to fast-track and override the planning system at a local level to achieve national progress, Stalinist or otherwise as it may be. From the devolution and recovery White Paper, we see the need to rationalise and simplify local government as delivery units, to be larger, more in line with economic geography and more accountable through visible, directly elected leadership. They are both rebadged as planks of the levelling-up agenda.

My final point is that there are good local authorities doing a very good job on regeneration. I spoke to somebody about the great work being done in Sunderland, for example, as a prime levelling-up geography. It is being done more in spite of planning than because of it, or being assisted by it.

Alan Law: Specifically in relation to your question, it has the potential to be more than just a planning Bill. That would be where we are, but there is some way to go in terms of fleshing out that detail. If I look at the context, we believe that nature is a fundamental part of the infrastructure of this country. If we are serious about levelling up, we will have achieved that only if we provide effective access to nature for all our citizens across the country. There are clearly areas of significant nature deficit in parts of the country at the moment.

Our strategy around nature conservation—and nature, I should say, is in the broadest sense of biodiversity, landscape and access—is moving from one that has been historically very focused on quite narrow protection of the rare and the special into recognising that, if we want to protect both the rare and the special, and the widespread, which is what most people come into contact with, we need a wider, landscape-scale approach to recovery. I want to emphasise that landscape-scale recovery of nature is as much a feature of the urban and the peri-urban environment as it is around the beautiful national parks etc.

We welcome this Bill. There is a lot of good in it. The context I have described about moving to a more landscape-focused strategy is something that we feel is quite compatible with what the Bill focuses on, in terms of place making and engagement. There is a lot of detail that still needs to be worked through.

The Bill currently does not provide a real framework for full integration of the many plans and strategies that are operating alongside one another. There is no body identified to take responsibility for that integration across all of these. There are things that could be pushed more strongly in the Bill, particularly around that alignment of other plans and integration, potentially, at the higher-tier scale. We would really like to see that, ideally, mandated more strongly on the front of the Bill.

Edward Hobson: Depending on whether we view it as planning law or levelling up, we can look at it in two ways. Used systematically, design is very much a driver of green economic recovery and investment in places,

communities, infrastructure and planning that accelerates the opportunities we have by looking at the content of the Bill.

I am going to talk in two dimensions. Design can contribute in terms of economic growth and development. It has been a huge engine of economic growth and export—how design is embedded through levelling up, in terms of boosting the local economy and being able to have a contribution within that space. Research that we have recently undertaken demonstrated that the design economy across the country has grown by 73% over the last 10 years. That is very much distributed around the whole of the country. Design has a real contribution to make in terms of local economic growth. Design also has an important contribution to make in terms of the quality of the places we are talking about. The Bill is very important in this space.

In terms of design for levelling up, this is about addressing multiple challenges at the same time and extracting people from their current silos, potentially using design as a way of facilitating those connection points and looking at the particular challenges in these areas. One key thing that we are looking to the Bill to do is to look at how design creates places that are destinations for inward investment. Whether we are looking at it through a planning lens or a levelling-up lens, design is a way of fulfilling the aims of local communities and economies.

Q186 Mohammad Yasin: If I stay with you, Edward, this Bill has a number of placeholder clauses and promises of forthcoming secondary legislation to provide more details. What difficulties does this present?

Edward Hobson: Given the scope and the range of the Bill at the moment, it is pretty vast. There is a lot that has been set aside for subsequent debate and discussion. One key thing that is an omission at this point—rather than the things that have been left to secondary legislation—are some key aspirations around significant challenges that we have, particularly around the climate, nature and how net zero is embodied through the whole Bill.

For me, that is one of the particular discussion points in the Bill. We need clarity within that and on whether there is the opportunity in secondary or primary legislation to address that issue—what the purpose of planning is in this space. We need to have a more balanced view of economic growth, but also to look at human and planetary health and wellbeing within that framing. It is about trying to give that some purpose and clarity within the Bill.

Alan Law: There are no problems per se. There are details that need to be worked up around what the standards are going to be in the national policies and codes, what is going to be included and how it will be addressed in relation to the EORs. We will cover some of those areas later on. There are lots of questions, but no immediate problems.

Jonathan Werran: It is storing up problems—maybe another volume in the long library of central and local government tensions. Clearly

implementation and interpretation are going to be vital to this. For example, there are things like the local plan commissioners. How is that going to work out in practice? How would they expect the local engagement to work?

In terms of skills and resources, it is difficult to assess what the implications for local authority planning departments and the like will be at a time when, according to RTPI figures from 2019, net investment in local planning is £1.2 million for the average local authority. Spending on housing welfare is about 50 times that amount, at £60 million. Those are the imponderables there.

Q187 **Mohammad Yasin:** In your view, Jonathan, how will the planning provisions in this Bill assist the Government in addressing the priorities of levelling up and achieving net zero?

Jonathan Werran: Essentially, it will have to play out over time. In terms of the levelling up, clearly we are going to have to wait for the latest iteration of the NPPF, but it needs a stronger baseline for the net zero side for the local planning section. It is going to have to be much more stringent in how it applies or sets decarbonisation targets at a time when the 2050 figure might be coming up for grabs again.

In terms of levelling up, the White Paper is very good on very serious, sober, intelligent analysis. It acknowledged that a systems approach is vital if we are going to tackle some of the major national challenges, such as climate change and reducing economic inequality. In terms of aligning investment priorities around places and tiers of government, so it is places not programmes, there is a big gap when it comes to strategic planning.

We think that strategic planning is going to have to play a key role in this. The Government's proposals for spatial planning development strategies are to be welcomed, but the provisions we are seeing in the Bill are nowhere near strong enough at present. They are critical for joining this up. It has to be long-term spatial infrastructure and economic and environmental policies and priorities. As these provisions are currently constituted, they seem more on the voluntary side, and there does not seem to be much of an option for the emerging county combined authorities, let alone the existing mayoral combined authorities, where levelling up is supposed to be a priority. "Could try harder" would be my summary.

Alan Law: I agree on the strategic planning piece. We see a sense that it could contribute strongly to nature-based solutions and net zero. I want to emphasise that we do not see those two things as separate. We very much see the challenge of tackling the nature crisis and the climate crisis being inextricably interwoven. That is why we would really welcome seeing a stronger focus on natural capital and delivering it as part of the infrastructure written into one of the core missions of the Bill. We will come later on to examples of where and how that system might work.

Mohammad Yasin: Edward, do you agree with that?

Edward Hobson: I agree with the need for greater strategic coordination in planning. I would add that looking at net zero is clearly an incredibly important agenda, but, as today will plainly demonstrate, adaptation and resilience are equally important in this. How far are we able to have a Bill and a planning system that are cognisant of the fact, and acknowledge, that a central purpose of planning should be looking at how we manage and reconfigure land use and development in the country, in order to give ourselves, the country, communities and people's lives that quality that will remain over the next 30 or 50 years?

Q188 **Florence Eshalomi:** Good afternoon. One area that has received a lot of attention is the fact that the Government claim that proposals in the Bill will enable communities to have a major say in planning and the opportunity to shape it. I think about some of the applications I have seen in my constituency. I represent Vauxhall, a highly dense constituency with loads of applications. I border the development at Vauxhall Nine Elms, and I am sure you know a lot about that.

When we look at some of the clauses in the Bill, it seems to do the opposite. You see a clause where, in essence, the Secretary of State could grant permission for an application without going through the planning process. There are other bits where it could be good, in terms of digitalisation. Will the proposals really lead to greater say and influence for the public, in your opinion?

Jonathan Werran: A focus on neighbourhood, community and stronger resident engagement is a good place to start. In terms of what is actually in the Bill itself, although the proposals around digital planning may help, it is not particularly clear how the public are meant to engage in the new proposals for planning. Clearly, over the pandemic, many councils had, by necessity, to drive up engagement through the planning process via digital channels and better use of online consultation, but this can never be the whole piece; it can never be the entirety of the planning consultation.

It is going to take mixed methods, a subtle but strong hybrid approach, to reach different communities and different people in different areas of the country. It has to have that strong localist place sensitivity in it. Well-designed and comprehensive programmes, as I said, will have to be hybrid. They need to make use of physical space for people to meet and talk, as well as digital technology tools, as many local authorities are pioneering, to deepen the sense of say that communities have in planning. For this, it will require proper resourcing for planning departments and a proper framework.

The new design codes might be helpful for this. They are already on the NPPF as of July last year. The new design codes will be a pretty good step, if they can be made to work. It would be interesting to know in Lambeth what a strategic borough-wide design code would look like. It is not clear how it is to be defined in the Bill as at present.

Alan Law: We absolutely support the view that proper community engagement is going to be essential to deliver the ambitions set out around the levelling-up agenda and the ambitions that we have around nature recovery, recognising that, when you engage with communities over the outcomes, those outcomes may turn out to be slightly different to the ones that you had envisaged in the first place. We have to be open to that, but it is central to this process. There are concerns around what is in place and the level of resource and capacity for local government to service that demand.

I have stressed already the importance of integration across plans in order for these things to work effectively. One suggestion we have relates to regulation and secondary legislation—the setting of clear measures of success to ensure that scrutiny of draft plans has properly taken into account community engagement as a driver to enforce it.

Edward Hobson: Involving the public has always been a major plank of planning policy over the years. The way in which that is done can add legitimacy and credibility to the outcomes in a local area. We welcome the shift to a much stronger focus on the local plan and having that as a really key part of the development framework locally.

Clearly, that goes hand in hand with how we have new tools coming, with the introduction of the Bill, around design coding. That allows a further option in the way that local communities can express the aspirations, qualities and characteristics of local areas way upstream of development happening within those environments. So it is about setting the aspirations and the way that local communities like to realise the qualities of the neighbourhoods around them. That is a really important shift within the Bill.

In that, consultation and engagement need to be done well. It is not a thing that can be done through lip service. Perhaps one thing, particularly from Design Council's perspective, is how that is done in an engaging and creative way. We are running a project at the moment with the National Lottery Community Fund, looking at how we might engage communities more broadly in that local democratic conversation about place, the aspirations of those communities and how communities are, in effect, co-designing and working very closely with local authorities to achieve those ambitions. There is a great opportunity in that space for local people to be further engaged in the process.

Q189 **Florence Eshalomi:** I hope that that is a good one, because the language around planning is such jargon for a number of people—the notices, the way they are sent out and even the size of the text. I hope that some of these things lead to the change.

One other proposal in the Bill that has received a lot of attention is clause 96—the street votes. Going back to what I mentioned around how these things will influence the public and get people engaged, do you see street votes working in practice? If you have a group where there is someone quite dominant on that street, in essence, cajoling and encouraging the

other members on that street to get behind this proposal, there could be a further impact down the road. How do you see this working in practice, and who is going to organise the votes?

Jonathan Werran: You have to acknowledge that street votes will face major objections if this comes into practice. It is certainly a big carrot, but one has to ask whether this is the appropriate carrot or vegetable for the job. I cannot see, for myself, it working in practice, in terms of offering more opportunities for genuine informed engagement that have popular consent.

Q190 **Florence Eshalomi:** You think it is a gimmick.

Jonathan Werran: I would say that anyway, coming from a think-tank. It sounds like a think-tank, gimmicky thing. I could see the looks of horror on the faces of some of our local council friends on stages at the party conferences last year. They were asked, "What do you think about street votes?" That reaction of horror told me all I needed to know.

The other thing is where the resources and engagement have been coming from. What is missing in the detail? It is quite a lot. The final thing is the law of unintended consequences, as you mentioned.

Q191 **Florence Eshalomi:** Alan, do you think street votes are going to address the issue of more genuine affordable housing?

Alan Law: It will probably not. It is a finer grain than we would typically operate at. I suspect that its value may be more exceptional than regular.

Edward Hobson: This is an interesting one. As a design process, we prototype what this is like, rather than just propose it, and we would see the engagement of people within that prototype. If this was to go ahead, there would necessarily need to be a strong connection with some of the measures, such as design codes. In effect, we are setting out the permitted development rights street by street. Without a basis for agreement and consensus on how that was established, it becomes very much a tit for tat at a local level. Looking at the design codes is potentially a way of bringing the street and the neighbourhood together to understand what is acceptable within that particular place and what communities desire to have as change. That is an absolute foundation before we can start thinking about individual votes.

Q192 **Florence Eshalomi:** All of you have referenced the issue around resourcing and the framework on this. I think that the brunt of this will be carried by local authorities up and down the country that have seen their budgets cut and have had to make difficult decisions on whether to fund social workers or planning consultants. If you end up without the planning consultants, you will get officer recommendation on applications, which should cause a big upset for small areas. Do you feel that local authorities have the skills, resources and capability to deliver the Bill's reforms?

Jonathan Werran: Currently, as things stand, “not really” is the answer. Rebuilding capacity, institutional knowledge and the right skills needed to deliver on what is in the Bill and the planning reforms is not going to be solved even in the short to medium term. For example, how well are county councils resourced to support, say, district planning powers around climate change and big infrastructure things?

We have to recognise that most local planning authorities are very small, with rather limited capacity in the main, though some large unitaries might be exceptions that prove the rule. Some councils, throughout the years of austerity, have kept investing in their planning—Ealing would be a good example—as a key plank of what they wanted to deliver as councils.

Q193 **Florence Eshalomi:** Have you seen a backlog of applications in some of the county areas? We are seeing that constantly in some of the London authorities.

Jonathan Werran: I am probably less of a county planning expert. It would not be surprising. The other thing is in terms of resources, because there is so much intense competition for planners from the private sector. You are having that knowledge and skills base eroded all the time.

There is a final thing. This has been going on since 2010. Planning departments saw some of the biggest cuts because they were easier, lower-hanging fruit to make those kinds of efficiency savings. It is mystifying, to us at Localis, from a place perspective, that local authorities are not given the commercial wherewithal to break even, given the demands the development industry makes of them through the planning process, let alone to turn a tidy profit that they could reinvest in things like social infrastructure, betterment or pride of place for their neighbourhoods and communities.

Alan Law: Yes, there is a 20-year plus decline in skills and capabilities in local authorities, in our field certainly. As you say, there is a very competitive market externally, so this will take some time to gear up to.

Edward Hobson: I absolutely recognise that picture as well. I have some comments more specifically on urban design skills later in the questioning. It is interesting that planning as a practice has been more whittled down to a reactive process. The proposals in the Bill are to shift that, in terms of looking at giving more strength to the local plan and making it more proactive in establishing the framework. That will require resources that have not been forthcoming over that period.

Q194 **Ben Everitt:** We will do some snappy questions, because we are running short of time. The intention with the Bill is to digitise, codify, simplify and speed up the planning system. Will this result in more effective plans being produced more quickly?

Jonathan Werran: It would be nice to think so, if the intention is to have a plan-led system, where there is a quid pro quo to make it easier for local authorities, maybe ending the stricture on five-year land supply

and all the rest of it. As it stands, do we have enough surety in the Bill that the practical issues around things like housing targets and development in general can be overcome? Again, we will have to wait for the next iteration of the NPPF for the answers before we can talk about it in any detail. There is a concern that over-simplification and over-standardisation could result in less local control and discretion. Again, we will have to wait and see.

Fundamentally, it goes back to my earlier point. We need a more robust approach to strategic planning to ensure that some of the key—and especially locally politically challenging—issues, such as housing numbers and distribution, can be adequately managed and dealt with more effectively.

Q195 **Ben Everitt:** Jonathan, we keep coming back to the need for more strategic planning and a system that allows us to get national priorities into local developments. Do you see that there is a way forward from where we are starting now?

Jonathan Werran: I would like to think so. Clearly, a lot of work has gone into the iterations of this. Levelling up and planning should be two sides of the same coin, so I do not think that it is beyond the wit of what is in the Bill to make that the case.

Q196 **Ben Everitt:** While we are talking about the need for speed, do you think that the enhanced focus on beauty and design is going to act as a brake on some of the need for speed that we want and the need to engage communities as well?

Edward Hobson: No, I do not think that it is. As Design Council, and within the Bill, where I see the parallels, we are actually trying to deliver quality of places, whether you articulate that as beauty or in a number of dimensions. Ultimately, the quality of the place is what we are trying to strive for.

If we are looking at embedding that in a local plan that then represents those qualities and aspirations, that is going to be a mechanism by which we can cast aside poor-quality developments and poorly designed developments. It is also going to set out clearer arrangements that will mean that there are fewer appeals against the local plan as well. Having a clearer articulation of quality at a local level is very much about enhancing and providing a more effective and streamlined planning system.

Q197 **Ben Everitt:** Alan, will it be simplified, codified and quicker?

Alan Law: Potentially, yes. If we get the right things in the national requirements, that should simplify the production locally. The key thing is getting the right things. It is unclear currently. For us, to see this work we need strong national codes, close integration of plans, probably at a higher authority level—the strategic planning point—and enough local resource to enable proper engagement and define local spatial priorities. There are those three things.

Q198 **Ben Everitt:** Taking the issue of nutrient neutrality, how would the way forward solve that issue?

Alan Law: This might not be a short answer. If we had the linkages between the different plans and strategies in place, the way this should work is that you define the environmental pressures through the local nature recovery strategy, you assess and evaluate those pressures and options to address them through the EOR, and then you incorporate the design of the solutions alongside your development plan in the local plan. If you go through that sequence, you identify the pressures that are coming up and plan for them before it gets to the point where you have exceeded critical environment thresholds.

With nutrient neutrality, we have seen a long-term build-up of pollution, which has exceeded critical thresholds. We are now at a point where it is caught by the regulations. This system, with the right linkages in place between the different plans, would head off that situation arising again in the future. I would emphasise though that we do not have, at the moment, the secondary legislation that makes those linkages to drive that strategic join-up across plans. That is the place we would wish to get to.

Q199 **Ben Everitt:** Are you confident that we are going to get there, starting from where we are now, with this Bill?

Alan Law: Am I confident? I am confident that the Bill can drive that, yes, but we need the right secondary legislation in place alongside it.

Q200 **Darren Henry:** I will aim these questions at Edward mainly. Alan and Jonathan, come in at the end if you have something specific to add. How far do the Government's proposals align with the recommendations of the Building Better, Building Beautiful Commission, in your view?

Edward Hobson: The commission outlined a range of areas over eight principal themes. There is quite close alignment between the commission's recommendations and the Bill. We have mentioned some of them already. Predictably, there is having a clearer role for planning, in terms of place making within the planning process, and focusing on quality outcomes. That is a very strong alignment with the commission and the Bill in terms of strengthening local plans, investing in master planning and not allowing planning by appeal to rule the day.

There is a very important focus on introducing ways of ensuring high-quality design in place making—upholding the best of existing and new developments—and design coding being absolutely central in that space at both a national and a local level, and on allowing local authorities the opportunity and the capacity to develop their local codes.

In the commission, we have looked at how we have greater involvement and greater opportunities for local democracy and involvement in the making of the local plan. There are some aspects that have become hyper-local. We have talked about some of those opportunities and avenues for local communities to get involved. Also, there have been

some reduced opportunities at a strategic planning level. That has also been alluded to by colleagues on the panel.

There are great opportunities in terms of digital engagement. The commission looked at that and at how far the planning process can be overhauled and resources put into it, in terms of that conversation and engagement and using new digital tools, methods and platforms to be able to have that conversation.

Around stewardship and incentivising future responsibilities, this is an interesting one and goes back to earlier comments on how far there are, potentially, different models of stewardship and ownership at a local level and how far the Bill proposes those things. There is the dimension of curating the local environment and the natural resources within it, which perhaps needs strengthening within the Bill, and how that provides a more balanced approach in terms of the quality of place making. It is not just about the actual physical, built environment; it is actually the natural resources, the biodiversity, the open places and spaces, and the access to natural spaces within local areas that make the quality of those places.

I have a couple of final points on the recommendations. We have talked about the levelling-up and planning relationship. One of the commission's recommendations was looking at the equalisation of VAT on repairs. That is not particularly proposed at this point in the Bill. If we are looking at planning and design as being a key driver of retrofit for local communities, that clearly is an area where we would look to have more support for that equalisation. Repairing and retrofitting the existing building stock is absolutely important in terms of driving net zero.

I have mentioned strengthening the contributions of urban nature and open space, which was welcomed within the commission, but we could go further with the Bill. We will talk about design codes in a little more detail in subsequent questions.

Q201 **Darren Henry:** Alan, I do not know if you wanted to come in, because Edward mentioned bolstering nature and urban open space.

Alan Law: The only thing I would log in this space is work that is being done around the green infrastructure framework—producing design standards around green infrastructure that could be adopted here, which is a really important piece of work.

Jonathan Werran: As a final slant view, clearly pride in place is heavily in the levelling-up agenda. Most councils wish to improve, to beautify, but aesthetics need finance. The levelling-up Bill does not touch much on local government finance and how we resource all this in the round, but something like a single regeneration budget would, I would argue, help beautify things a bit more speedily than individual tournament financing pots for authorities to bid for.

Q202 **Darren Henry:** I take it from what you mentioned there, Edward, that, within the Bill, local authorities being able to draw up local design codes is something that will meet the Government's aims. That is what I took

from what you said.

Edward Hobson: Yes. We have supported the principle of design coding for a number of years. It is a vehicle that allows a conversation at a local level and an articulation of the qualities of place. Being able to determine future changes within that local environment and development applications gives a very good, robust framework for making those considerations.

One important thing in this is looking at the relationship between the national design code and local design codes, so that we are giving local authorities clarity on the anticipation and the expectations in this space, and giving them good practice to enable them to follow well-tested routes of achieving those codes and to look at good practice for dissemination and sharing across all local authorities.

Clearly, there is going to be some nuancing within local areas to make codes responsive and sensitive to the qualities of different areas. We welcome the design coding. We welcome the pathfinders that have been proposed to fill that space in order to give local authorities that clarity and suitability in terms of what is appropriate around design codes.

One other thing that would be useful, in making that reinforcement about local quality places, is the relationship between codes and design reviews. Design review is a mechanism by which local authorities can have an independent panel help them assess the quality of development proposals. The national policy framework states that as an aspiration for local authorities. A strong relationship between design coding and design reviews is an absolute must at a local level.

Q203 **Darren Henry:** Finally, you mentioned earlier that you did not feel that local authorities had sufficient resources, skills and capacity. Could you expand on that, in terms of design and heritage.

Edward Hobson: In the general trend of local authorities being under-resourced, in the timeframe that we have been talking about, many local authorities have struggled in terms of urban design skills. A number of recent reports were undertaken by various universities, the Bartlett being one of them. Around half of local authorities do not have a dedicated in-house capability on urban design.

We are placing a particular onus on local authorities to develop design codes and to do those well. Resources and upskilling are required to help local authorities in that space. There has been some recognition, through various pilots and pathfinders, that that is the case. We are asking, within design codes, for an activity that requires particular expertise and resourcing to do that, recognising that there is a system, a local government set-up, at the moment that does not have as much capability as we would like in regard to urban design skills.

Q204 **Chair:** Finally, moving on to the issue of environmental outcome reports, I will probably ask the first question to Alan. The Government are going to change the arrangements, so the reports in future will focus on

outcomes, rather than, I suppose, impact, which is the current arrangement. Is that going to work? Is it going to achieve anything different? Is it actually going to be—I suppose this is a challenge—simpler, so that the public who are affected by these issues can actually understand it and contribute?

Alan Law: Again—this is a theme of my evidence today—it could do. We welcome the principle of moving to outcomes rather than focusing on impact. There are risks that the gentleman from CPRE was referencing earlier on, when we joined the meeting. We particularly welcome the stronger focus on EOR in relation to the plan scale. If we can get the scrutiny of plans done right, that will enable us to head off and tackle environmental issues and things that drag us into lots of planning detail further down the pipeline. It is something that we see a lot of potential for and we are supportive of. The detail is yet to come, so we will need to see how that detail is defined in the secondary legislation and how biodiversity, access, landscape and so on are going to be covered effectively within it.

Q205 **Chair:** I will throw one thing in and I will come on to the other two witnesses briefly as well. The public are often sceptical about all these things, because they think that the developers pay for these studies and impact assessments, or outcome assessments as they will be. The developers are going to get what they ask for and what they are paying for.

Alan Law: The key thing is to get it right at the plan scale. It will be challenging for us to engage around every single EOR at the project scale subsequently. We can bring our evidence to the table at the plan stage. That is where, if we can get the right standards and scrutiny in place, such that we actually funnel development activity into the right places and to the right standards, that will reduce the pressure on project-scale EOR, where I agree that it is going to be more difficult to have that level of ongoing scrutiny, by either local government or us.

Q206 **Chair:** Would it be better if the planning fee covered the costs and the local authority commissioned the surveys?

Alan Law: It would. It would be good to have that in there.

Jonathan Werran: I am not sure if there is enough information or detail in the Bill to make that judgment about whether it would improve outcomes. I would make a plea that many of the problems we find associated with the current system are down to its application, how we apply it, rather than the intention behind it, whether good, bad or neutral. This is especially the case with sustainability appraisals. My plea would be to keep it simple, straightforward and easy to apply, as something that would be essential if it is going to work effectively and help to deliver good environmental outcomes via the planning system. Keep it simple, stupid.

Edward Hobson: Very simply, we need to ensure that we do not backtrack on the level of protection that we have at the moment. In

making good-quality places, the quality of the environment is absolutely central to that, so we are not dealing in urban places and rural places. It is actually nature in the urban environment. Having those checks, regulations and protections is absolutely essential to delivering quality places.

Q207 **Chair:** Alan, there are a lot of measures being put in place that another Department is responsible for—local nature recovery strategies, biodiversity net gain, under the Environment Act. How are these going to marry in and link in with the proposals that are in the levelling-up Bill? Do you see any potential for conflict, or is it all going to be seamless working?

Alan Law: At the moment, there is considerable potential for overlap, duplication and slight differences to lead to tensions between them. Our ask here would be, ideally, a statutory requirement for local plans to deliver, to take on the findings of, local nature recovery strategies, and ditto for local nature recovery strategies to provide the basis for EOR scrutiny of the local plan—so that join-up. Tie that together through statutory requirements and you solve that problem.

Chair: Thank you very much, all three of you, for coming to give evidence to us. That has been really helpful to the Committee. We have taken quite a lot of evidence about the planning implications of the levelling-up Bill, and we will produce some recommendations, some conclusions, on that before too long. The evidence today has been very helpful to the Committee. Thank you very much for coming.