



Chartered  
Institute of  
Housing

# What you need to know – an update on planning reform

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This member briefing is intended to provide a quick fire round up of recent planning for housing policy proposals and changes. It is correct at the time of publication, but it should be noted that this is a rapidly changing area.

## All change for the new administration: a quick who's who

The new Secretary of State for Levelling Up (from 6 September 2022) is [the Rt Hon Simon Clarke MP](#). Click [here](#) for a useful link from Inside Housing on what we might expect from him.

The new Minister for Housing and Planning (from 7 September 2022) is [Lee Rowley MP](#). Click [here](#) for a useful link from Inside Housing on Lee Rowley.

Jack Airey, formally of Policy Exchange and No 10 advisor associated with the Planning White Paper in 2020 has been appointed as the Secretary of State's advisor.

## What's happening with the Levelling Up and Regeneration Bill ?

CIH CEO Gavin Smart previously [gave evidence](#) on the [Levelling Up and Regeneration Bill](#) (LURB) and CIH also submitted [written evidence](#) to the public bill committee.

Committee scrutiny stage was scheduled to conclude on 20 September, however, this was delayed as a result of parliamentary business being cancelled during the official mourning period. There are two more committee debate sittings scheduled for later in October.

Several aspects of the Infrastructure Levy (IL) were debated on 6 and 8 September (having been delayed from before the summer recess). Ahead of this debate, CIH along with the National Housing Federation,

Shelter, Placeshapers and others, tabled three suggested amendments to the Bill in relation to the Infrastructure Levy and Shared a [briefing](#) with the bill committee members about suggested wording for amendments in relation to the Infrastructure Levy. In summary, the three amendments were as follows:

- An amendment to strengthen the protection of "affordable housing" as it currently exists in the Bill. This amendment would require Infrastructure Levy rates to be set to meet the level of affordable housing need specified in a local development plan.
- An amendment seeking clarification about the conditions under which section 106 can be retained by local authorities. This amendment would prevent IL regulations making unspecified provision about how powers under section 106 of TCPA 1990 (planning obligations) are used.
- An amendment seeking exemptions from the levy for 100 per cent affordable housing developments.

Our last planning for housing network meeting was on the topic of the Infrastructure Levy and we were joined by Laurence Martindale, head of local infrastructure (planning - infrastructure division) at the Department for Levelling Up, Housing and Communities. To catch up on the session, download the [meeting notes here](#).

We are pleased with the level of advocacy for our key asks on the Committee particularly from Matthew Pennycook MP, (Labour lead for housing and planning), and having all of our concerns with the Infrastructure Levy placed on the record. However, as feared, the government gave a disappointing rote response and failed to offer sufficient clarifications or protections for affordable housing.

The future of the LURB is not clear given that the [Growth Plan](#) published by HM Treasury on 23 September references a proposed **Planning and Infrastructure Bill**. There is no detail yet as to its contents and confusion as to whether LURB will be retained or recycled. However, Simon Clarke has re-affirmed the government's commitment to levelling-up and the new Housing Minister, Lee Rowley, has also confirmed that the LURB will continue to progress through Parliament.

## What does the 'Growth Plan' say about planning for housing?

### Investment Zones

Government is creating new investment zones to 'liberalise planning rules in specified agreed sites, releasing land and accelerating development'. These plans for low-tax investment zones for businesses will last at least ten years, and businesses will benefit from full stamp duty land tax relief on land bought for commercial or residential development. More detail is promised on these, however, concerning in the more detailed narrative about Investment Zones on [DLUHC's website](#) there is reference to developer contributions only being spent on 'essential infrastructure' (not defined). Potentially this could mean that affordable housing requirements are abandoned in IZ's (whether through s106

or IL). Government is inviting Expressions of Interest (EOI) applications for Investment Zones in England. All applicants must submit their EOI and supporting documents via an [online portal](#) by noon 14 October. An investment zone [factsheet](#) has been produced by government however, details still remain light.

This planoraks blog on [the problem with investment zones](#) provides some useful narrative on the topic.

### A new planning and infrastructure Bill

The Chancellor used the mini budget announcement to criticise delays in the planning system and to signal a new bill in the coming months to help 'unpack that complex patchwork' of planning restrictions. The new Planning and Infrastructure Bill is intended to accelerate priority major infrastructure projects across England, by 'minimising the burden of environmental assessments; making consultation requirements more proportionate; reforming habitats and species regulation; and increasing flexibility to make changes to a Development Consent Order once it has been submitted'. As set out above, the detail and timing of this is tbc.

### Housing Supply

The Chancellor also signalled 'further reform' to accelerate housing delivery, noting that 'later this autumn, the government will set out its vision to unlock homeownership for a new generation by building more homes in the places people want to live and work'.



# What's coming: The end of housing targets, the 'dash for growth', and exemption from affordable housing delivery?

It has been widely trailed in the papers that a [planning reset](#) is coming that could water down environmental protections and affordable home requirements across England and relax even further permitted development rules. Government sources are also reported to have said that the target of building 300,000 new homes a year by the mid-2020s had quietly been abandoned. They may not be officially abolished, as it had been a 2019 manifesto pledge, even though the Prime Minister hit out over the summer at "Soviet-style targets" and Simon Clarke, the new Secretary of State said:

"We need to move away from the culture of top-down housing targets which have done so much to poison the relationship between individual communities and government on the question of how we build the houses that we need."

Here is a useful [blog](#) from Lichfields about the end of the Standard Method.

According to [The Times](#), levelling up secretary, Simon Clarke, has written to the Prime Minister with proposals to boost housebuilding. Reforms are said to include raising the threshold at which affordable homes must be built - from developments with 10 houses to those with 40 or even 50 houses - in a bid to boost small and medium-sized developers

Whilst sweeping planning law changes was first trailed as to be announced on 19 October it seems that this has now been [pushed back to November](#) given the current turbulent situation in government.

## CIH's view

Given the Levelling Up and Regeneration Bill is currently at committee stage in the House of Commons we need urgent clarity on the legislative framework to deliver on new housing supply and the impact on affordable housing provision. If investment zones go forward their design must recognise the importance of affordable housing, which contributes to economic growth, speeds up the delivery of new homes and ensures the right mix of homes to support local communities. The planning system has long been singled out as barrier to delivery and the new administration is continuing with this line of rationale, but often the issues stem from lack of resources and capacity. It is vitally important that government ensures local authorities are given the support they need to manage any system change.

We are extremely concerned about any proposals which would decrease the numbers of affordable homes being delivered. S106 is not a perfect system and has a mixed reputation. However, we know how important it is in the delivery of affordable homes - currently around half of all homes completed by housing associations are acquired via Section 106. The country is facing a worsening economic crisis and a worsening affordable housing crisis. Long-term, sustained investment in social housing is the only way to change this and there is therefore a compelling case for putting an ambitious programme of new affordable housebuilding at any plans for economic growth.

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