

NEWSLETTER

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Planning and Politics



Planning and Infrastructure Bill:

A look at the recently unveiled Planning and Infrastructure Bill following the King's Speech.



On the 17th of July, King Charles delivered his speech in the House of Lords outlining 39 bills that the newly elected Labour Government wants to achieve. One of which is the Planning and Infrastructure Bill.

What exactly is the Planning and Infrastructure Bill?

- The Planning and Infrastructure Bill represents a significant legislative move, aiming to streamline the planning process to build more homes of all tenures and accelerate the delivery of major infrastructure projects. The government has stated it will "turbocharge building of houses and infrastructure."
- King Charles declared in his speech "My ministers will get Britain building, including through planning reform, as they seek to accelerate the delivery of high-quality infrastructure and housing."
- The government has argued that the current planning regime acts as a major brake on economic growth. The planning system must be an enabler of growth-enabling democratic engagement with how, not if, homes and infrastructure are built.

Discover more [here](#).

Why is this Bill necessary?

- In 2022/23, the national development management service (local planning services) cost £794 million to operate with an estimated funding shortfall of £262 million per annum.
- Only 9 per cent of Local Planning Authorities (LPAs) are determining more than 70 per cent of non-major applications within 8 weeks. Only 1 per cent of LPAs determine more than 60 per cent of major applications within the statutory 13-week period.
- The demand for major infrastructure is high, the National Infrastructure Commission state that failure to accelerate infrastructure delivery plans in the next 5 years, could constrain economic growth and threaten climate targets.



The government has laid the groundwork for achieving its housing and infrastructure ambitions by setting plans to increase the capacity of local planning authorities. We believe that these measures will not only restore trust in the planning system but also demonstrate that with sufficient resources, the planning system can effectively create spaces where communities can thrive..."

Victoria Hills, RTPI Chief Executive



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What does the Bill aim to do?

- **Streamlining the delivery process for critical infrastructure** – including accelerating upgrades to the national grid and boosting renewable energy, unlocking the delivery of the 2030 clean power mission and net zero obligations, and securing domestic energy security. The consenting process for major infrastructure will also be simplified, and the Government aims to enable relevant, new and improved National Policy Statements, establishing a review process that provides the opportunity for them to be updated every 5 years, giving increased certainty to developers and communities.
- **Further reforming compulsory purchase compensation rules** – this will ensure that compensation paid to landowners is fair, but not excessive where important social and physical infrastructure and affordable housing are being delivered. The reforms will help unlock more sites for development, enabling more effective land assembly, speeding up housebuilding and delivering more affordable housing, supporting the public interest.
- **Improving local planning decision-making** – achieved through modernising planning committees so they process applications more quickly.
- **Increasing local planning authorities' capacity** – to improve performance and decision-making, providing a more predictable service to developers and investors. Labour has previously suggested that they will hire 300 new planners to achieve these goals.
- **Using development to fund nature recovery where currently both are stalled** - the government plans to leverage development projects to fund nature recovery initiatives. This approach seeks to balance environmental conservation with the need for development, addressing both ecological and housing needs simultaneously.

Discover more [here](#).



How has the industry reacted to the Bill?

Overall, the reaction to the Bill within the industry has been positive. Much emphasis has been placed on Planning within the Government and thus far has been welcomed. The [British Property Federation](#) has commented:

"It's very encouraging to see Labour's continued focus on the built environment and the role it has to play in raising productivity levels and delivering economic growth. Reforming, resourcing and accelerating the planning process is an essential prerequisite to boosting housing delivery. However, planning for homes must always take account of employment and wider infrastructure needs for new communities, such as logistics provision and ensuring enough grid capacity for new developments.

"The property industry is a huge contributor to UK plc, accounting for 7% of GVA and one in 13 jobs. We want to work with the Government to build new homes, regenerate town centres and green the economy, and the Bills announced today are a good start to the new administration's approach."

On the other hand, some feedback, such as that provided by [Brian Berry, Chief Executive at the Federation of Master Builders \(FMB\)](#), highlights the importance of recognising wider issues limiting the effectiveness of the Bill:

"It is positive that the new government has already made tackling the UK's housing crisis a key priority... However, these bold plans will only be successful if the current skills crisis in the construction industry is addressed..."

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