PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

NEIGHBOURHOOD PLANNING BILL

Eighth Sitting

Thursday 27 October 2016

(Afternoon)

CONTENTS

CLAUSE 35 agreed to, with amendments.
CLAUSE 36 agreed to.
New clauses considered.
New schedule considered.
Bill, as amended, to be reported.
Written evidence reported to the House.

No proofs can be supplied. Corrections that Members suggest for the final version of the report should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor's Room, House of Commons,

not later than

Monday 31 October 2016

The Committee consisted of the following Members:

Chairs: Mr Peter Bone, † Steve McCabe

† Barwell, Gavin *(Minister for Housing and Planning)*
† Blackman-Woods, Dr Roberta *(City of Durham)* (Lab)
Colvile, Oliver *(Plymouth, Sutton and Devonport)* (Con)
† Cummins, Judith *(Bradford South)* (Lab)
† Doyle-Price, Jackie *(Thurrock)* (Con)
† Green, Chris *(Bolton West)* (Con)
Hayes, Helen *(Dulwich and West Norwood)* (Lab)
† Hollinrake, Kevin *(Thirsk and Malton)* (Con)
† Huq, Dr Rupa *(Ealing Central and Acton)* (Lab)
† McMahon, Jim *(Oldham West and Royton)* (Lab)
† Malthouse, Kit *(North West Hampshire)* (Con)
Mann, John *(Bassetlaw)* (Lab)
† Philp, Chris *(Croydon South)* (Con)
† Pow, Rebecca *(Taunton Deane)* (Con)
† Tracey, Craig *(North Warwickshire)* (Con)
† Villiers, Mrs Theresa *(Chipping Barnet)* (Con)

Ben Williams, Glenn McKee, *Committee Clerks*

† attended the Committee

Public Bill Committee

Thursday 27 October 2016

(Afternoon)

[Steve McCabe *in the Chair*]

Neighbourhood Planning Bill

Clause 35

Commencement

Amendment proposed (this day): 26, in clause 35, page 27, line 8, after "3", insert—

", (Power to direct preparation of joint local development documents)".—*(Gavin Barwell.)*

The amendment provides for the regulation-making powers conferred by NC4 to come into force on the passing of the Act resulting from the Bill.

2 pm

Question again proposed, That the amendment be made.

The Chair: I remind the Committee that with this we are discussing the following:

Government new clause 4—*Power to direct preparation of joint development plan documents*—

(1) The Planning and Compulsory Purchase Act 2004 is amended as follows.

(2) After section 28 insert—

"**28A Power to direct preparation of joint development plan documents**

(1) The Secretary of State may direct two or more local planning authorities to prepare a joint development plan document.

(2) The Secretary of State may give a direction under this section in relation to a document whether or not it is specified in the local development schemes of the local planning authorities in question as a document which is to be prepared jointly with one or more other local planning authorities.

(3) The Secretary of State may give a direction under this section only if the Secretary of State considers that to do so will facilitate the more effective planning of the development and use of land in the area of one or more of the local planning authorities in question.

(4) A direction under this section may specify—

(a) the area to be covered by the joint development plan document to which the direction relates;

(b) the matters to be covered by that document;

(c) the timetable for preparation of that document.

(5) The Secretary of State must, when giving a direction under this section, notify the local planning authorities to which it applies of the reasons for giving it.

(6) If the Secretary of State gives a direction under this section, the Secretary of State may direct the local planning authorities to which it is given to amend their local development schemes so that they cover the joint development plan document to which it relates.

(7) A joint development plan document is a development plan document which is, or is required to be, prepared jointly by two or more local planning authorities pursuant to a direction under this section.

28B Application of Part to joint development plan documents

(1) This Part applies for the purposes of any step which may be or is required to be taken in relation to a joint development plan document as it applies for the purposes of any step which may be or is required to be taken in relation to a development plan document.

(2) For the purposes of subsection (1) anything which must be done by or in relation to a local planning authority in connection with a development plan document must be done by or in relation to each of the authorities mentioned in section 28A(1) in connection with a joint development plan document.

(3) If the authorities mentioned in section 28A(1) include a London borough council or a Mayoral development corporation, the requirements of this Part in relation to the spatial development strategy also apply.

(4) Those requirements also apply if—

(a) a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009 has the function of preparing the spatial development strategy for the combined authority's area, and

(b) the authorities mentioned in section 28A(1) include a local planning authority whose area is within, or is the same as, the area of the combined authority.

28C Modification or withdrawal of direction under section 28A

(1) The Secretary of State may modify or withdraw a direction under section 28A by notice in writing to the authorities to which it was given.

(2) The Secretary of State must, when modifying or withdrawing a direction under section 28A, notify the local planning authorities to which it was given of the reasons for the modification or withdrawal.

(3) The following provisions of this section apply if—

(a) the Secretary of State withdraws a direction under section 28A, or

(b) the Secretary of State modifies a direction under that section so that it ceases to apply to one or more of the local planning authorities to which it was given.

(4) Any step taken in relation to the joint development plan document to which the direction related is to be treated as a step taken by—

(a) a local planning authority to which the direction applied for the purposes of any corresponding document prepared by them, or

(b) two or more local planning authorities to which the direction applied for the purposes of any corresponding joint development plan document prepared by them.

(5) Any independent examination of a joint development plan document to which the direction related must be suspended.

(6) If before the end of the period prescribed for the purposes of this subsection a local planning authority to which the direction applied request the Secretary of State to do so, the Secretary of State may direct that—

(a) the examination is resumed in relation to—

(i) any corresponding document prepared by a local planning authority to which the direction applied, or

(ii) any corresponding joint development plan document prepared by two or more local planning authorities to which the direction applied, and

(b) any step taken for the purposes of the suspended examination has effect for the purposes of the resumed examination.

(7) The Secretary of State may by regulations make provision as to what is a corresponding document or a corresponding joint development plan document for the purposes of this section."

(3) In section 21 (intervention by Secretary of State) after subsection (11) insert—

"(12) In the case of a joint local development document or a joint development plan document, the Secretary of State may apportion liability for the expenditure on such basis as the Secretary of State thinks just between the local planning authorities who have prepared the document."

(4) In section 27 (Secretary of State's default powers) after subsection (9) insert—

"(10) In the case of a joint local development document or a joint development plan document, the Secretary of State may apportion liability for the expenditure on such basis as the Secretary of State thinks just between the local planning authorities for whom the document has been prepared."

(5) Section 28 (joint local development documents) is amended in accordance with subsections (6) and (7).

(6) In subsection (9) for paragraph (a) substitute—

"(a) the examination is resumed in relation to—

(i) any corresponding document prepared by an authority which were a party to the agreement, or

(ii) any corresponding joint local development document prepared by two or more other authorities which were parties to the agreement;".

(7) In subsection (11) (meaning of "corresponding document") at the end insert "or a corresponding joint local development document for the purposes of this section."

(8) In section 37 (interpretation) after subsection (5B) insert—

"(5C) Joint local development document must be construed in accordance with section 28(10).

(5D) Joint development plan document must be construed in accordance with section 28A(7)."

(9) Schedule A1 (default powers exercisable by Mayor of London, combined authority and county council) is amended in accordance with subsections (10) and (11).

(10) In paragraph 3 (powers exercised by the Mayor of London) after sub-paragraph (3) insert—

"(4) In the case of a joint local development document or a joint development plan document, the Mayor may apportion liability for the expenditure on such basis as the Mayor thinks just between the councils for whom the document has been prepared."

(11) In paragraph 7 (powers exercised by combined authority) after sub-paragraph (3) insert—

"(4) In the case of a joint local development document or a joint development plan document, the combined authority may apportion liability for the expenditure on such basis as the authority considers just between the authorities for whom the document has been prepared."

This new clause enables the Secretary of State to give a direction requiring two or more local planning authorities to prepare a joint development plan document. It also makes provision about the consequences of withdrawal or modification of such a direction.

Amendment (a) to Government new clause 4, in proposed new subsection (12) of section 21 of the Planning and Compulsory Purchase Act 2004, at end insert—

"after consulting with the local authorities concerned."

Jim McMahon (Oldham West and Royton) (Lab): It is a pleasure to serve under your chairmanship, Mr McCabe. I refer to my entry in the register of interests as a member of Oldham Council. I am speaking to amendment (a) to new clause 4.

Throughout the debate, what has stood out is a sense that although we are creating a framework to be understood clearly and to set expectations, that is in the spirit of communities themselves determining what is right—a genuinely partnership approach. The amendment to Government new clause 4 seeks to ensure that there is discussion with local authorities before the apportioning of costs between local authorities for joint development plans.

At the moment, new clause 4 will allow the Secretary of State to apportion liability for expenditure, on the basis of what the Secretary of State thinks is just, between the local planning authorities that have prepared the document. The amendment would ensure consultation with the relevant local authorities before the Secretary of State determines what proportion of costs each must pay. The Secretary of State might already intend to consult with local authorities, so reassurance would be what is required. Given that the tone of the debate so far has been one of working with local communities, it would be helpful not to go against that and impose costs without any kind of consultation or discussion.

The Minister for Housing and Planning (Gavin Barwell): It is a pleasure to serve under your chairmanship again, Mr McCabe.

The hon. Member for City of Durham asked a couple of questions about new clause 4, which I will endeavour to answer before I come to the amendment to the new clause. In essence, the main issue that the hon. Lady wished to explore was the circumstances in which the Secretary of State might wish to pursue the power to intervene. The wording of the new clause is relatively broad—I tried to touch on this wording in my speech this morning—under proposed section 28A(3):

"The Secretary of State may give a direction under this section only if the Secretary of State considers that to do so will facilitate the more effective planning of the development and use of land in the area of one or more of the local planning authorities in question."

It might help the hon. Lady if I expand on that and give an idea of the types of situation we have in mind. I will make two points. First, in relation to "one or more", there might be a situation in which a particular local planning authority is struggling to produce its own local plan—perhaps, as I indicated in my speech, because there is not only a high level of housing need in the area concerned, but also heavy constraints on land. Given the cases I have already dealt with over the past three months, I am thinking of districts where a significant proportion of the land area is green belt and therefore has heavy constraints on development potential.

In such circumstances, the Secretary of State might want to direct that authority and two or three others where land is much less constrained to produce a joint plan, in order to provide an opportunity to consider whether some of the housing need in district A might be met in some of the adjoining districts. It is possible that authorities covered by such a direction might have produced a perfectly viable plan for their area, but we would be looking to work across a group of authorities to meet housing need over a wider area.

Secondly, there are probably two types of situation in which that might arise. I have alluded to one already—where an authority has simply failed to produce a plan. As the Committee knows, several authorities are in that position at the moment. The second is where an authority might have tried to produce a plan, but is failing to meet the housing need in its area. Either it has fallen short of the assessed need or the plan was accepted by an inspector but the authority subsequently found itself unable to

[Gavin Barwell]

deliver the housing it had planned for various reasons. Essentially, the two things that I think the Secretary of State is likely to be interested in are, first, authorities that are simply not doing the job of producing a plan; and secondly, plans that are wholly inadequate in terms of meeting the required level of housing need.

Dr Roberta Blackman-Woods (City of Durham) (Lab): Will regulations set out the circumstances that are likely to lead to a Secretary of State's direction, or the process that will be followed in order to involve the Secretary of State? We are struggling with what will trigger the Secretary of State's involvement. Will it be a complaint from a member of the public or one of the local authorities, or something else?

Gavin Barwell: I will do my best to answer that question. I am in a slightly difficult position. I might as well be open about the difficulty that I face. I have referred several times to the fact that there will be a White Paper that will set out clearly how we intend to use the powers. Given that I do not yet have collective agreement to the White Paper, it is difficult for me to say too much. However, the powers will not be used if it is a simple matter of complaints from individual members of the public in an area or from developers.

The Department is likely to proactively monitor the progress that local planning authorities make. I made it fairly clear in my opening remarks that I attach great importance to getting full coverage of the country, not necessarily in terms of every single planning authority having its own plan, but in terms of making sure that all parts of the country are covered by a plan, whether it is a strategic plan covering a wider area or individual authorities having their own plan. I will ask my officials to give me regular updates on progress and I will proactively look to intervene if I believe that is the only remaining lever to get to where I think we all agree we want to get to in planning. Does that go far enough to help the hon. Lady?

Dr Blackman-Woods *indicated assent.*

Gavin Barwell: It does. That is good to hear.

I hope I can provide some reassurance on the amendment. As the hon. Member for Oldham West and Royton said, in the case of a joint local development document or a joint plan, where the Secretary of State is apportioning liability for the expenditure between the relevant authorities, the amendment basically says that the relevant authorities have to be consulted. As I have argued before, I do not think it is necessary to write that into statute, but it is clearly something that we would want to have a discussion with the relevant authorities about. To reassure the hon. Gentleman, the key language in the clause is about justness. There is a test of reasonableness in terms of the way the Secretary of State will be doing it in legislation.

Jim McMahon: Clearly, we have absolute confidence in the Minister. We know he is a localist and values relationships with our local authorities, but—heaven forbid—if another Minister in that position with such powers has a different approach, we would want to make sure that safeguards are in place.

Gavin Barwell: Let me make a couple of further remarks and then I will be happy to go away and reflect on that point. I hear what the hon. Gentleman says.

Should the Secretary of State intervene under section 21 of the Planning and Compulsory Purchase Act 2004, statutorily he can only require reimbursement of any costs he has incurred if the costs are specified in a notice to the authority or authorities concerned. I will read this into the record because it will allow the hon. Gentleman to go away and look at this and check that he is satisfied with it. This is set out in subsection (11) of section 21 of the Planning and Compulsory Purchase Act 2004, which is inserted by section 145(4) of the Housing and Planning Act 2016.

Should it be necessary for the Secretary of State to prepare a plan because the relevant authorities have failed to do so, despite being given every opportunity, again it is right that he can recover his costs, but in doing so he would need to demonstrate that he has been just and has acted reasonably. The former—the justness point—may require a consultation with the authorities concerned. I have given an assurance that that would happen. The latter is a concept that is well understood in legal terms. I do not believe it is necessary to write this into law, but if the hon. Gentleman is happy he can go away and look at what I have just referred to in statute. If he is still not satisfied, there is the option for him to press the matter a bit further on Report. I am happy to talk to him outside the Committee if he is still not satisfied.

Amendment 26 agreed to.

Gavin Barwell: I beg to move amendment 27, in clause 35, page 27, line 8, after "3", insert

", (Review of local development documents)".

The amendment provides for the regulation-making powers conferred by NC7 to come into force on the passing of the Act resulting from the Bill.

The Chair: With this it will be convenient to discuss the following:

Government new clause 3—*Content of development plan documents*—

(1) In section 19 of the Planning and Compulsory Purchase Act 2004 (preparation of local development documents) after subsection (1A) insert—

"(1B) Each local planning authority must identify the strategic priorities for the development and use of land in the authority's area.

(1C) Policies to address those priorities must be set out in the local planning authority's development plan documents (taken as a whole).

(1D) Subsection (1C) does not apply in the case of a London borough council or a Mayoral development corporation if and to the extent that the council or corporation are satisfied that policies to address those priorities are set out in the spatial development strategy.

(1E) If a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009 has the function of preparing the spatial development strategy for the authority's area, subsection (1D) also applies in relation to—

(a) a local planning authority whose area is within, or the same as, the area of the combined authority, and

(b) the spatial development strategy published by the combined authority."

(2) In section 35 of that Act (local planning authorities' monitoring reports) after subsection (3) insert—

"(3A) Subsection (3B) applies if a London borough council or a Mayoral development corporation have determined in accordance with section 19(1D) that—

(a) policies to address the strategic priorities for the development and use of land in their area are set out in the spatial development strategy, and

(b) accordingly, such policies will not to that extent be set out in their development plan documents.

(3B) Each report by the council or corporation under subsection (2) must—

(a) indicate that such policies are set out in the spatial development strategy, and

(b) specify where in the strategy those policies are set out.

(3C) If a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009 has the function of preparing the spatial development strategy for the authority's area, subsections (3A) and (3B) also apply in relation to—

(a) a local planning authority whose area is within, or the same as, the area of the combined authority, and

(b) the spatial development strategy published by the combined authority."

This new clause requires a local planning authority to identify the strategic priorities for the development and use of land in the authority's area and to set out policies to address these in their development plan documents. The latter duty does not apply in the case of certain authorities to the extent that other documents set out the policies, but in that case the authority's monitoring reports must make that clear.

Amendment (a) to Government new clause 3, after proposed new subsection (1E) to section 19 of the Planning and Compulsory Purchase Act 2004, insert

"(1F) The Secretary of State may by regulations require a particular timescale to be set for the production of plan documents."

Government new clause 7—*Review of local development documents.*

Gavin Barwell: This morning, when Mr Bone was in the Chair, he kindly allowed me to make some introductory remarks about the whole package of amendments in relation to local plans, so I hope I can be a little more brief as I tackle each one.

We have previously made clear our expectation that all local planning authorities should have a plan in place. That is in paragraph 153 of the national planning policy framework, for example. As I said earlier, the local plans expert group recommended introducing a statutory duty on local planning authorities to produce and maintain an up-to-date plan. The group saw that as a means of underlining the importance of local plans and ensuring that their production is given the necessary priority. We have carefully considered those recommendations and the representations we received on them, and we agree.

New clause 3 amends the Planning and Compulsory Purchase Act 2004, and introduces a requirement for each local planning authority to identify the strategic priorities for the development and use of land in their area. It also places a requirement on the local planning authority to set out policies that address those strategic priorities in the authority's development plan documents, which collectively make up the local plan. That requirement does not apply if a local planning authority in London considers that its strategic priorities are addressed in the Mayor of London's spatial development strategy, the London plan. The same opportunity will be given to local planning authorities in the area of a combined authority where the combined authority has the function of preparing a spatial development strategy for its area as, for example, Greater Manchester will.

Where a local authority is relying on policies in a spatial development strategy to deliver its strategic priorities, it has to make that clear in the authority monitoring report that it is required to publish annually. For local plans to be effective, they need to be kept up to date, which brings me to new clause 7.

Paragraph 153 of the NPPF makes it clear that a local plan should be reviewed

"in whole or in part to respond flexibly to changing circumstances."

We want to put beyond doubt our expectation that plans are reviewed regularly, so new clause 7 amends the Planning and Compulsory Purchase Act 2004, introducing a requirement for a local planning authority to review its documents at intervals prescribed by the Secretary of State. When reviewing its documents, it should consider whether they should be revised, a little bit like the statements of community involvement that we covered earlier in relation to the neighbourhood planning provisions. If the authority is content that a document does not need to change, that is fine, but it needs to publish its reasons for coming to that decision. The new requirement does not affect the existing duty to keep documents under review.

Finally, amendment 27 simply provides for the regulation-making powers conferred by new clause 7 to come into force on the passing of the Act resulting from the Bill.

Taken together, the two new clauses and amendment 27 put beyond doubt the Government's commitment to a plan-led system in which all local planning authorities have an up-to-date local plan that ensures that sufficient land is allocated for housing in the right places to meet needs, with roads and other vital amenities required to support that housing—a local plan that crucially provides an opportunity for local communities to shape the development of their city, town or village. I am grateful for what the hon. Lady said earlier, and I hope that the amendment is accepted.

2.15 pm

Dr Blackman-Woods: It is a pleasure to serve under your chairmanship, Mr McCabe. I will speak about Government new clause 3 and amendment (a) together. I tabled amendment (a) hoping to elicit more information from the Minister about what the Government are trying to do with new clause 3. On the face of it, that new clause seems very sensible in asking that development plan documents set out strategic priorities. That is quite hard to disagree with. What I am not clear about is whether an additional tier of work will be required of local authorities in putting their plan together.

I tabled amendment (a) simply so that I could ask the Minister to focus on the speedy production of local plans. He will know that this has been an ongoing issue for some time. It is undoubtedly the case that the local plan-making process put in place in 2004 ended up being rather more lengthy than those who put the legislation together—I hasten to add that it was not me—thought it would be. It is a very cumbersome

[Dr Blackman-Woods]

process for local authorities. It is not that all the documents are not needed. I will say something about that in a moment.

The issue—I think it is one that the Minister recognises, particularly in terms of the content of new clause 4—is that we need to get local authorities to a position where it is a more straightforward process for them to put a local development plan document together. We know that under the 2004 process, even where there were not really any local difficulties or much complexity, it was taking on average three years to produce the plan to make it ready for inspection. That was not getting it right through the process; that was just getting it ready and going through the various rounds of consultation.

The average cost of the process, from beginning to end, was a staggering £500,000. When I argued earlier in the Committee's deliberations for putting more money into neighbourhood plans as the building block for local plan-making, that was the figure I had in mind. Lots of money is being set aside for consultation, but it has not always produced results that have altered the local plan-making process in any way. As I said earlier to the Minister, I think that money could be better spent.

I think it is fair to say that there has been a difference of opinion among some inspectors as to the weight that should be given to the plan, and various bits of the plan, during the whole process, particularly if the plan was referred back for a part of it to be rewritten. All in all, we have ended up in a situation where local plan-making has been very complex, lengthy and costly. I pay tribute to the Minister and others who are looking at streamlining this process, but I want to suggest a way of doing it that would help not only local authorities but local communities and all those who are subsequently involved in implementing the plan.

This is not actually my idea; it was put in evidence, before the last election, by the Planning Officers Society, the organisation that represents planners. They are the people who draw up the plans and then have to try and implement them. It is important that any Government listens to what they have to say about the planning system because they know better than anyone the difficulties and what would work in practice.

The planners, interestingly, have put together a two-stage process that relates directly to the content of new clause 3, which is why I made the suggestion here. They are suggesting a first stage, which could be the outcome of a lot of work with the local community to set strategic priorities for that specific local authority, or a group of local authorities if that is deemed to be more important. The critical point is that it would not require the long technical documents that currently go with local plans—such as a detailed minerals assessment or watercourse assessment—to be drawn up at that early stage.

I do not know whether the Minister has worked with local communities, particularly on the examination of a local plan, as I have in my local area on our local plan, but everyone came to the committee with documents at least 12 inches thick. They were incredibly complicated and technical, and unless someone is an expert they simply would not understand or have time to go through them. I am sure almost everyone could get to grips with such documents if they had all the time in the world, but to expect a local community to go through such highly technical and detailed documents at the stage of a public inquiry does not seem sensible. Nothing will be agreed until the public examination takes place.

It would be really helpful to consider what planning officers are saying. They are suggesting getting the community on board for what is important to them, such as the strategic direction forward plan and what, broadly in terms of land use, the local authority will set out—what types of housing and other developments in what timeframe. If it is possible to get broad agreement on that general way forward, there could be a second stage when the first one has been agreed and has been through a lighter-touch inspection. In the second stage, the more technical documents could be brought into the frame and all the professionals who will have to put the document into operation will be able to assess whether the technical support and evidence is there for the exact developments to take place.

I know the Minister is open to speeding up the process and introducing an easier one. I want to use the opportunity of amendment (a) to new clause 3 to suggest this as a possible way forward that could greatly speed up the whole process, not only for local authorities, but for the local community. That is the purpose of amendment (a).

There are two issues. It is really important to have a final date by which local authorities must produce their plan. I hope that we will not be sitting in another housing and planning Bill Committee, but I fear there may be one coming down the line. I certainly hope that in a year or 18 months, 30% of local authorities will not be without a plan in place. We certainly do not want to be here in 2020 with a set of local authorities not having a plan in place, 16 years after a Bill was enacted requiring a local plan.

As well as testing the Minister on whether he has given any consideration to how to speed up the overall planning process, I want to know whether he thinks it would be appropriate to set a final cut-off point for local plans to be made.

Gavin Barwell: The hon. Lady has just made a very interesting speech. I do not particularly like her amendment, for reasons I will explain, but I have a lot of sympathy with the ideas behind it and will try to reassure her on that front. She quoted the Planning Officers Society, a fine organisation that is chaired by Mike Kiely, who was chief planning officer at Croydon Council and whom I know very well—he is an excellent planning officer. She is quoting from a very reputable organisation.

The hon. Lady made some sage points about the time and cost involved in producing a local plan, which we will address in the White Paper; I hope that reassures her. We are particularly keen to remove a lot of the confrontation involved in the local plan process, such as the huge arguments about whether councils have calculated objectively assessed need correctly, and everything that follows. Councils face the very high test of whether the plan is the most appropriate one, which allows the developer to say, "Well, you've got everything right, except that this site is better than that site." A huge amount of wrangling goes on, and I am not sure whether that is in the public interest. I have a great deal of sympathy with the arguments underlying the amendment,

which the hon. Lady outlined. If she bears with us for a few weeks, she should see our proposals to address those issues.

Let me say a few words, first about the indication of a final date, which the hon. Lady asked for, and secondly about my concern with the specific wording of the amendment—I think it is a probing amendment, so she is probably more interested in the principle than in the detail. The Government have said that we expect authorities to have plans in place by early next year. Anyone who is listening to this debate can be clear that there is a clear deadline to get this work done. That does not mean that we will want to intervene on every single council that has not achieved that by then, because some councils may be working flat out and are very close, so intervening would do nothing to speed the process up. However, councils that are not making satisfactory progress towards that target should be warned that intervention will follow, because we are determined to ensure that we get plan coverage in place.

The key issue with the wording of the hon. Lady's amendment is that the gun did not start at the same moment; councils are at very different stages of the process. Rather than just saying, "Everybody needs to get to these points by these dates", we need to reflect the fact that some councils have plans that are no longer up to date, so they need to do a review. Others have never produced one and are at a different stage along the road. If the hon. Lady was in my shoes, she would want a little more flexibility than her amendment would allow to decide on the right triggers for intervention.

What we hold councils to at the moment is whether they are achieving the timescales they set out in their own documents. I hope that I have reassured the hon. Lady on the issues of principle about trying to reduce the cost and the time taken to produce plans, which is very important, but I would not necessarily want to set out in statute or in secondary legislation a set of timescales that every local council had to fit into.

Dr Blackman-Woods: I have heard what the Minister has said, particularly on the measures that the Government might consider to help speed up and simplify the plan-making process. I await the White Paper with even more fervent anticipation; it is going to be really interesting. I wanted to test the Minister on what was meant by the Government's expectation that plans would be put in place by March next year. I heard his response, but I press him to ensure that local authorities complete the plan-making process as quickly as possible.

Amendment 27 agreed to.

Question proposed, That the clause, as amended, stand part of the Bill.

2.30 pm

Gavin Barwell: Clause 35 makes standard provision in relation to the commencement of provisions in the Bill. Subsection (1) sets out the default position, which is that provisions are to come into force on a day appointed by the Secretary of State in commencement regulations. Where that default position applies, the Secretary of State may appoint different days for different purposes and may also make transitional provisions and savings. Subsection (3) sets out the exception to the default position, which is that the delegated powers within the neighbourhood planning provisions, the planning register provision and the final standard provisions of the Bill will come into force when the Bill obtains Royal Assent. The clause contains an essential and standard provision that is necessary to implement the Bill.

Question put and agreed to.

Clause 35, as amended, accordingly ordered to stand part of the Bill.

Clause 36 ordered to stand part of the Bill.

New Clause 3

CONTENT OF DEVELOPMENT PLAN DOCUMENTS

(1) In section 19 of the Planning and Compulsory Purchase Act 2004 (preparation of local development documents) after subsection (1A) insert—

"(1B) Each local planning authority must identify the strategic priorities for the development and use of land in the authority's area.

(1C) Policies to address those priorities must be set out in the local planning authority's development plan documents (taken as a whole).

(1D) Subsection (1C) does not apply in the case of a London borough council or a Mayoral development corporation if and to the extent that the council or corporation are satisfied that policies to address those priorities are set out in the spatial development strategy.

(1E) If a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009 has the function of preparing the spatial development strategy for the authority's area, subsection (1D) also applies in relation to—

(a) a local planning authority whose area is within, or the same as, the area of the combined authority, and

(b) the spatial development strategy published by the combined authority."

(2) In section 35 of that Act (local planning authorities' monitoring reports) after subsection (3) insert—

"(3A) Subsection (3B) applies if a London borough council or a Mayoral development corporation have determined in accordance with section 19(1D) that—

(a) policies to address the strategic priorities for the development and use of land in their area are set out in the spatial development strategy, and

(b) accordingly, such policies will not to that extent be set out in their development plan documents.

(3B) Each report by the council or corporation under subsection (2) must—

(a) indicate that such policies are set out in the spatial development strategy, and

(b) specify where in the strategy those policies are set out.

(3C) If a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009 has the function of preparing the spatial development strategy for the authority's area, subsections (3A) and (3B) also apply in relation to—

(a) a local planning authority whose area is within, or the same as, the area of the combined authority, and

(b) the spatial development strategy published by the combined authority."—*(Gavin Barwell.)*

This new clause requires a local planning authority to identify the strategic priorities for the development and use of land in the authority's area and to set out policies to address these in their development plan documents. The latter duty does not apply in the case

of certain authorities to the extent that other documents set out the policies, but in that case the authority's monitoring reports must make that clear.

Brought up, read the First and Second time, and added to the Bill.

New Clause 4

POWER TO DIRECT PREPARATION OF JOINT DEVELOPMENT PLAN DOCUMENTS

(1) The Planning and Compulsory Purchase Act 2004 is amended as follows.

(2) After section 28 insert—

"**28A Power to direct preparation of joint development plan documents**

(1) The Secretary of State may direct two or more local planning authorities to prepare a joint development plan document.

(2) The Secretary of State may give a direction under this section in relation to a document whether or not it is specified in the local development schemes of the local planning authorities in question as a document which is to be prepared jointly with one or more other local planning authorities.

(3) The Secretary of State may give a direction under this section only if the Secretary of State considers that to do so will facilitate the more effective planning of the development and use of land in the area of one or more of the local planning authorities in question.

(4) A direction under this section may specify—

(a) the area to be covered by the joint development plan document to which the direction relates;

(b) the matters to be covered by that document;

(c) the timetable for preparation of that document.

(5) The Secretary of State must, when giving a direction under this section, notify the local planning authorities to which it applies of the reasons for giving it.

(6) If the Secretary of State gives a direction under this section, the Secretary of State may direct the local planning authorities to which it is given to amend their local development schemes so that they cover the joint development plan document to which it relates.

(7) A joint development plan document is a development plan document which is, or is required to be, prepared jointly by two or more local planning authorities pursuant to a direction under this section.

28B Application of Part to joint development plan documents

(1) This Part applies for the purposes of any step which may be or is required to be taken in relation to a joint development plan document as it applies for the purposes of any step which may be or is required to be taken in relation to a development plan document.

(2) For the purposes of subsection (1) anything which must be done by or in relation to a local planning authority in connection with a development plan document must be done by or in relation to each of the authorities mentioned in section 28A(1) in connection with a joint development plan document .

(3) If the authorities mentioned in section 28A(1) include a London borough council or a Mayoral development corporation, the requirements of this Part in relation to the spatial development strategy also apply.

(4) Those requirements also apply if—

(a) a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009 has the function of preparing the spatial development strategy for the combined authority's area, and

(b) the authorities mentioned in section 28A(1) include a local planning authority whose area is within, or is the same as, the area of the combined authority.

28C Modification or withdrawal of direction under section 28A

(1) The Secretary of State may modify or withdraw a direction under section 28A by notice in writing to the authorities to which it was given.

(2) The Secretary of State must, when modifying or withdrawing a direction under section 28A, notify the local planning authorities to which it was given of the reasons for the modification or withdrawal.

(3) The following provisions of this section apply if—

(a) the Secretary of State withdraws a direction under section 28A, or

(b) the Secretary of State modifies a direction under that section so that it ceases to apply to one or more of the local planning authorities to which it was given.

(4) Any step taken in relation to the joint development plan document to which the direction related is to be treated as a step taken by—

(a) a local planning authority to which the direction applied for the purposes of any corresponding document prepared by them, or

(b) two or more local planning authorities to which the direction applied for the purposes of any corresponding joint development plan document prepared by them.

(5) Any independent examination of a joint development plan document to which the direction related must be suspended.

(6) If before the end of the period prescribed for the purposes of this subsection a local planning authority to which the direction applied request the Secretary of State to do so, the Secretary of State may direct that—

(a) the examination is resumed in relation to—

(i) any corresponding document prepared by a local planning authority to which the direction applied, or

(ii) any corresponding joint development plan document prepared by two or more local planning authorities to which the direction applied, and

(b) any step taken for the purposes of the suspended examination has effect for the purposes of the resumed examination.

(7) The Secretary of State may by regulations make provision as to what is a corresponding document or a corresponding joint development plan document for the purposes of this section."

(3) In section 21 (intervention by Secretary of State) after subsection (11) insert—

"(12) In the case of a joint local development document or a joint development plan document, the Secretary of State may apportion liability for the expenditure on such basis as the Secretary of State thinks just between the local planning authorities who have prepared the document."

(4) In section 27 (Secretary of State's default powers) after subsection (9) insert—

"(10) In the case of a joint local development document or a joint development plan document, the Secretary of State may apportion liability for the expenditure on such basis as the Secretary of State thinks just between the local planning authorities for whom the document has been prepared."

(5) Section 28 (joint local development documents) is amended in accordance with subsections (6) and (7).

(6) In subsection (9) for paragraph (a) substitute—

"(a) the examination is resumed in relation to—

(i) any corresponding document prepared by an authority which were a party to the agreement, or

(ii) any corresponding joint local development document prepared by two or more other authorities which were parties to the agreement;".

(7) In subsection (11) (meaning of "corresponding document") at the end insert "or a corresponding joint local development document for the purposes of this section."

(8) In section 37 (interpretation) after subsection (5B) insert—

"(5C) Joint local development document must be construed in accordance with section 28(10).

(5D) Joint development plan document must be construed in accordance with section 28A(7). "

(9) Schedule A1 (default powers exercisable by Mayor of London, combined authority and county council) is amended in accordance with subsections (10) and (11).

(10) In paragraph 3 (powers exercised by the Mayor of London) after sub-paragraph (3) insert—

"(4) In the case of a joint local development document or a joint development plan document, the Mayor may apportion liability for the expenditure on such basis as the Mayor thinks just between the councils for whom the document has been prepared."

(11) In paragraph 7 (powers exercised by combined authority) after sub-paragraph (3) insert—

"(4) In the case of a joint local development document or a joint development plan document, the combined authority may apportion liability for the expenditure on such basis as the authority considers just between the authorities for whom the document has been prepared."—*(Gavin Barwell.)*

This new clause enables the Secretary of State to give a direction requiring two or more local planning authorities to prepare a joint development plan document. It also makes provision about the consequences of withdrawal or modification of such a direction.

Brought up, read the First and Second time, and added to the Bill.

New Clause 5

County councils' default powers in relation to development plan documents

Schedule (County councils' default powers in relation to development plan documents) makes provision for the exercise of default powers by county councils in relation to development plan documents.—*(Gavin Barwell.)*

This new clause and NS1 enable the Secretary of State to invite a county council to prepare or revise a development plan document in a case where the Secretary of State thinks that a district council in the county council's area is failing to prepare, revise or adopt such a document.

Brought up, and read the First time.

Gavin Barwell: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss the following:

Amendment (a) to Government new clause 5, at end insert—

"with the agreement of district councils."

Government new schedule 1—*County councils' default powers in relation to development plan documents*.

Gavin Barwell: New clause 5 is the next part of the package of amendments that the Government have tabled in relation to local plans. It allows for the introduction of new schedule 1, which enables the Secretary of State to invite a county council in a two-tier area to prepare a local plan for a district local planning authority in the county in instances where, despite having every opportunity, the district has failed to do so.

The Government absolutely want to see local planning authorities producing their own local plans, but where that is not happening it is right that we take action to ensure that communities and business can benefit from the clarity and certainty that having a plan can provide. The Committee has already accepted the principle that the Secretary of State should have the power to direct a group of local planning authorities to work together on a joint plan. This would be an alternative way of addressing the same problem—namely, to direct a county council to produce a plan for a local planning authority area.

It may help the Committee to know that the Secretary of State can already invite the Mayor of London or a combined authority to prepare a plan for an authority in their respective areas under similar circumstances. New clause 5 would extend the same opportunity to county councils in two-tier areas so that, as far as possible, local plans are developed at the most appropriate local level.

I said in a previous debate that the powers for intervention will merely be for the Secretary of State to produce a plan. I think we would all agree that that should very much be a last resort, and that we should explore different options. It would be preferable to have other people in the local area being directed to get involved if a local planning authority is not doing its job. The new clause will work by amending schedule A1 to the Planning and Compulsory Purchase Act 2004.

Under our proposals, a county council will be invited to prepare, revise or approve a local plan only if the local planning authority has failed to progress its plan, and when the Secretary of State thinks it is appropriate. County councils are directly accountable authorities, with the knowledge and understanding of the development needs of their areas, so in the Government's opinion they are suitable bodies to prepare a plan for the areas they represent.

New schedule 1 will amend paragraphs 3 to 8 in schedule A1 to the 2004 Act to ensure that the existing powers available to the Mayor of London and combined authorities also apply to county councils. The county council would be responsible for preparing the plan and having it examined. It may then approve the document, or approve it subject to modifications recommended by the inspector, or it may direct the local planning authority to consider adopting it. The new schedule will also enable the Secretary of State to intervene in the preparation of a document by the county council.

Should the Secretary of State believe it is appropriate to step in to ensure that a plan is in place, new clause 5 and new schedule 1 will give him a further option, alongside existing powers, so that decisions are taken at the most local level possible. I commend the new clause and the new schedule to the Committee.

Dr Blackman-Woods: With your permission, Mr McCabe, I will speak to new clause 5 and amendment (a) at the same time.

The new clause is interesting. The Minister has given us some helpful clarification of the circumstances in which the measures it contains might be invoked, but I suspect that district councils might require a bit more information. I am sure the Minister does not need me to tell him that district councils are not terribly happy with the provisions in the new clause, which allow the Secretary of State to invite a county council to prepare a development plan document if he or she thinks that a district council in the county council's area is failing to prepare, revise or adopt such a document.

[Dr Blackman-Woods]

In terms of sequencing, if a local authority has not prepared a local plan, when might the Government decide to invoke new clause 5 and when might they decide to invoke new clause 4? Presumably, both could be used to bring forward a plan that is not being developed. If the Minister could say something about that it would be extremely helpful.

Amendment (a) was tabled to put on the record the fact that the power in the new clause would allow quite a drastic thing to be done to district councils. I suppose some might be mightily relived, but others will not be. There is no evidence in the new clause or the attached new schedule that efforts will be made to involve district councils in the process, either in making the decision to move the responsibility for producing the plan to a county council or subsequently, once that decision has been taken.

Such involvement might be quite important, particularly because, aside from unitary counties, county councils might have limited planning expertise. They have planning departments that look after minerals and so on, but they may not have the planning expertise to deal with the whole range of housing and other issues that need to be in a local plan. It seems to me quite important for the district councils to be involved at some stage if those plans are to have local acceptance.

Hardly surprisingly, although district councils are not very happy, the County Councils Network has welcomed new clause 5 and new schedule 1. However, even the County Councils Network says in its briefing to the Committee that peer support may be appropriate to facilitate the signing off of the plans, and something may need to be done to work with district councils in addition to a direction from the Secretary of State. I thought it was quite interesting that it mentioned that, and it reinforces my point about amendment (a).

The Minister will know that the District Councils Network has expressed serious concerns about the new clause and the new schedule. It would much prefer a collaborative process. It feels that the new clause casts district councils aside and leaves county councils to get on with the job rather than district councils being expected to work with county councils to see plans through. The district councils have put a series of questions to the Committee. Given what the new clause will do to some district councils' local plan-making functions, it is worth taking a few minutes to go through those questions.

The first question is:

"As County Councils are not local planning authorities, what estimate has the Minister made of the extra time it would take for the County Council to carry out the functions…and where would this expertise come from?"

Will that expertise be expected to come from the district council involved, other district councils or the county council's neighbours? That is not clear. The Minister may intend to follow up on this point in regulations, but it is also not clear how district councils will be notified of the plan-making process, what rights they have to be consulted or what requirement there will be for county councils to continue to seek to work in partnership with district councils.

Given that the process of public involvement in local plans is clear, the District Councils Network also asked what the public's involvement will be when county councils have plan-making powers. County councils typically deal with much bigger areas, so some clarity may need to be given about how exactly affected residents will be consulted by the local authority. That is a particularly important question. I am sure that the Minister will reassure us, but I sincerely hope that new clause 5 is not intended in any way to bypass the local community and its input into the local plan-making process. It would help us all in our deliberations on new clause 5 to have more information about that.

Not surprisingly, the district councils are concerned that the costs of producing local plans will fall on them. They have asked a whole set of questions about funding, but I will wrap them up and paraphrase them. What is there in the system to prevent county councils from spending money in an extravagant way, on things such as exhibitions about the plan, lots of public consultation and glossy documents? The district councils will have to pay for that, so what will be in place to ensure cost-effectiveness in the delivery of plans and efficient use of resources?

2.45 pm

Lastly, given that there are a number of legal challenges, what process is in place to ensure the formal adoption of the plan? In the end, is the plan then adopted by the district council or the county council on behalf of it? With that set of questions, I will leave it there and hear what the Minister has to say about new clause 5 and amendment (a) on consultation.

Kevin Hollinrake (Thirsk and Malton) (Con): It is a pleasure to serve under your chairmanship, Mr McCabe. I want to say a few brief words on new clause 5 and to get a thorough understanding from the Minister about a particular situation that I, and I am sure others, might have in my constituency. This is about a local authority's ability to use new clause 5 or possibly new clause 4 to avoid its responsibility in terms of required housing in its area, and how the Minister or Secretary of State will determine why one local authority is determined not to take its fair share of required housing.

I have a number of local authorities in my constituency, some of which are very keen to deliver houses and are doing so. One or two are not. How do we deal with a situation in which one errant local authority does not appear to want to produce a local plan that meets its objectively assessed housing need, and so uses new clause 4 or new clause 5 through the back door? I have not dreamed that situation. It is not that production of the local plan is being prevented, but there might simply be a political reluctance in the local authority to put housing in its area or there might be an ongoing battle to deliver a proper local plan.

That authority could argue, "We haven't got the land in our local authority area, so we think all these houses should go in the adjoining local authority area"—which has a sound local plan and is delivering on its housing numbers. It might say, "Houses shouldn't go in my local authority area. They should go in this adjoining one because they've got lots of space and lovely green fields to put the houses in." The errant local authority might argue that houses should go into another local authority. We then come along and use new clause 4 or new clause 5 to say, "This has to be a joint plan, and these houses will have to go into the other local authority area that's doing its job properly." How will the Minister

or the Secretary of State determine situations in which a local authority is not carrying out its duty to assess need and deliver those houses? Will the Minister look into that situation?

Gavin Barwell: It has been a useful debate, and I hope I can provide some clarification. Perhaps a mistress of understatement, the hon. Lady said that district councils were not terribly happy and county councils were reasonably happy. My message to district councils listening to this debate is that it is completely in their own power to ensure that this new clause is never used. All they need to do is produce local plans that address housing need in their area, and there will never be any reason at all for the Secretary of State to make use of this power. The only circumstances in which the power could ever be used would be if a district council somewhere in the country were failing to produce a local plan that met need in its area. To county councils, I would say, "Don't get too excited," because I do not think the intention is to make regular use of this power.

I will make one observation. When you become a Minister, you get given a mountain of brief to read into your subject. Something that stood out from one brief was the powers that the Government have taken to intervene on local planning authorities that are not deciding a high enough percentage of major applications within the specified timescale. That was quite contentious when the powers went through Parliament. What is interesting about it is that it has, I think, been used only three times. The existence of a power that says that the Planning Inspectorate is now going to determine planning applications rather than the relevant local authority determining them, has acted as a real spur to people to raise their game. It has not been necessary to use the power very often at all, and I suspect that this power might serve the same purpose. If it has provoked a strong reaction among district councils that do not ever want to see this happen, and that leads to more of them adopting their plans on a timely basis, I will be very happy never to have to use the power.

Dr Blackman-Woods: Does the Minister accept that one of the consequences—whether intended or unintended, I am not sure—of the possible designation of local planning departments as failing on the basis of the number of their determinations that are overturned by the inspector, is that, in practice, local authorities are very reluctant to turn any application down, lest it be overturned on appeal? That is most unfortunate, because we want local authorities to be able to determine an application on its merits, and not for it to be favoured because authorities are worried that they are going to lose their ability to determine all applications.

Gavin Barwell: That would be highly unfortunate and also unnecessary because the performance metric is purely about determining planning applications. It is just about ensuring that decisions are made within the statutory timescale.

Coming back to the issue the hon. Lady is probing with her amendment, what would be most useful—what she was really interested in—is some steer from me about when the powers under Government new clauses 4 and 5 might be used. The speech by my hon. Friend the Member for Thirsk and Malton was useful in providing a pointer about that. I will make two observations. One is generic: the hon. Lady was expressing nervousness that we might be back here in 12 months' time debating another planning Bill. One of the things I wanted to do with this Bill was make sure that we took the necessary range of intervention powers in this area, so that we would not have to keep coming back and saying, "Actually, in this case we would like you to do this." So I sat down with my officials and went through a variety of different situations and how Ministers might want to respond to them.

Taking my hon. Friend's hypothetical example, if there is a local planning authority that is heavily constrained in terms of land—that is doing its best but is really struggling to meet housing needs in its area because of the make-up of that area—that would naturally lead to the use of new clause 4, because one might then look and say, "There are other authorities in the area that are not so constrained and if you worked together across that wider area, could you meet housing need across the area?"

My hon. Friend then mentioned a different kind of example: an authority that—an objective observer might suggest—had plenty of potential to meet housing need within its own area and was just ducking taking the necessary decisions. An intervention there, asking the authority to work with some neighbouring ones to produce a plan, would probably not work because they would continue to obstruct their neighbours and, as my hon. Friend said, potentially seek to pass the burden on to others. This might be a more suitable intervention power in those cases.

If the hon. Lady applies her mind to it, she can probably think of a couple of cases around the country in which a number of planning authorities within a county council area are struggling to meet their obligations. In that situation, looking at a county-wide solution to meeting housing need over a wider area might be an appropriate way forward. In some of those cases, county councils might choose to work with the relevant district councils, even if the Secretary of State gave them the formal responsibility.

Let me provide a little reassurance on a number of the detailed points that the hon. Lady made. She talked about three main things: skills and resources, and whether county councils had the skills and resources to do this work; the process in relation to the adoption of a plan—so if a county council produced a plan, how that plan got adopted; and also reassurance over residents' involvement. I will deal with them in reverse order. I can provide her with complete reassurance on resident involvement. Local plans—whoever prepares or revises them—are subject to a legal requirement to consult the public and others, along with the right to make representations on the plan. From the point of view of residents living in a particular area, their ability to have their say and input on a plan will be completely unaffected. I hope that provides complete reassurance on that point.

Adoption is set out in the detail of new schedule 1, which goes with the new clause. I point members of the Committee to new paragraph 7C(4), which says:

"The upper-tier county council may…approve the document, or approve it subject to specified modifications"—

there it refers to modifications that the inspector recommends—

[Gavin Barwell]

"as a local development document, or…direct the lower-tier planning authority to consider adopting the document by resolution of the authority".

The county council has a choice: it can take the legal decision and have the plan adopted, or—perhaps in circumstances in which it has worked with the district council to get to that point—it might be prefer to say, "Okay, there is the plan. It would be better for the district council to make that decision." Either option is available.

On the resources front—financially, as it were—there are clear provisions in place. Let me deal with the skills front. County councils do have significant input and involvement in the local plan-making process. They often have a significant contribution to make in terms of infrastructure—highways infrastructure and some of those other issues—but clearly if the Secretary of State felt that a particular county council did not have the relevant skills to do the job, he or she would not seek to use this provision and might rely on those in new clause 4.

On resourcing and the financial side, there are provisions that can provide reassurance. A county council has to be reimbursed for any expenditure where it prepares a plan because a local planning authority has failed to do so. Likewise, when it is necessary for the Government to arrange for a plan to be written, they can recover the costs.

I recognise—perhaps it is inevitable—that, say, organisations that represent district councils will have concerns about the proposal, but I hope I have provided reassurance. First, I do not expect the provision to be used on a regular basis, and indeed district councils have in their hands the means to ensure that it is never used. Secondly, the Government have sought to address concerns on resident involvement, the adoption process and the skills and resourcing of county councils. Thirdly, the right thing to do in the Bill, given the strong cross-party consensus on the need to get plans in place, is to ensure that, where it is necessary to intervene, the Secretary of State has the powers to think creatively about the ways in which that might happen.

My view in terms of the hierarchy is that the preferable solution would be to direct a planning authority to work with some of its neighbours. If that were not viable, the county council route is an interesting route. My strong view is that the worst option is ultimately that the Government have to step in, intervene and write a plan because, by definition, they are the most distant from the relevant local community. I hope I have provided the reassurance that the hon. Lady was looking for.

Dr Blackman-Woods: I thank the Minister for that helpful and detailed response. There are just two issues I would like him to go and ponder. First, what might be put in place to ensure that costs are kept at a reasonable level for district councils, bearing in mind that many local authorities really are struggling financially? Secondly, in the interests of keeping a positive relationship going between the district council and county council, what could be put in place to try to ensure that they work together in the production of a plan? I will come to amendment (a) at the appropriate point.

Question put and agreed to.

New clause 5 accordingly read a Second time, and added to the Bill.

New Clause 6

FORMAT OF LOCAL DEVELOPMENT SCHEMES AND DOCUMENTS

(1) Section 36 of the Planning and Compulsory Purchase Act 2004 (regulations under Part 2) is amended in accordance with subsections (2) and (3).

(2) In the heading after "Regulations" insert "and standards".

(3) After subsection (2) insert—

"(3) The Secretary of State may from time to time publish data standards for—

(a) local development schemes,

(b) local development documents, or

(c) local development documents of a particular kind.

(4) For this purpose a 'data standard' is a written standard which contains technical specifications for a scheme or document or the data contained in a scheme or document.

(5) A local planning authority must comply with the data standards published under subsection (3) in preparing, publishing, maintaining or revising a scheme or document to which the standards apply."

(4) In section 15(8AA) of that Act (cases in which direction to revise local development scheme may be given by Secretary of State or Mayor of London)—

(a) after "only if" insert "—(a)", and

(b) at the end of paragraph (a) insert ", or

(b) the Secretary of State has published data standards under section 36(3) which apply to the local development scheme and the person giving the direction thinks that the scheme should be revised so that it complies with the standards."—*(Gavin Barwell.)*

This new clause enables the Secretary of State to set data standards for local development schemes and documents, requiring these documents or the data they contain to comply with specified technical specifications. It also enables the Secretary of State or the Mayor of London to direct a local planning authority to revise a local development scheme so that it complies with data standards.

Brought up, and read the First time.

3 pm

Gavin Barwell: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss amendment (a) to Government new clause 6, after proposed new subsection (3)(c) of section 36 of the Planning and Compulsory Purchase Act 2004, insert—"(d) technical documents."

Gavin Barwell: New clause 6 will enable the Secretary of State to publish data standards for local development documents and local development schemes. Local planning authorities already gather a range of information during the planning process, and the local government transparency code places a duty on authorities to make openly available data on which policy decisions are based and public services are assessed.

The local plans expert group, to which I have referred several times, believes that there needs to be a step change in how local plans are presented to their users—for

example, ensuring that documents are accessible on the web, improving the interactivity between maps and planned policy documents, which is something to which I personally attach particular importance, and exploring opportunities for improving online consultation. The Government agree with that recommendation.

There are a number of examples of where new technology has enhanced and improved engagement in communities on local planning matters. By way of example, my Department funded an initiative that has seen Plymouth City Council's neighbourhood planning team lead a Data Play initiative to help to open up council data for neighbourhood forums to use, but we can be more ambitious to ensure that planning and planning documents take advantage of what technology has to offer. New technology means that individuals, groups, entrepreneurs and businesses can now access and exploit public data in a way that increases accountability, drives choice and spurs innovation.

A constituent came to my surgery and brought a relative of his who did not live in my area but was involved in the development business. He showed me something that he had produced for a town in Kent. He had essentially taken a detailed Office for National Statistics map of that town and overlaid on to that map the planning policies of the relevant local plan in order to identify 324 small sites that would accommodate at least one unit of housing and that ought to receive planning consent because they appeared to be consistent with the planning policies set out in that relevant local plan. That was hugely interesting, thinking about the experience we all have with small and medium-sized enterprise builders who talk about access to land. My constituent's relative was planning to go into partnerships with a whole series of small builders in that area. He would secure planning consent and work with the builders to develop out the scheme.

Jim McMahon: I want to endorse the power of open data. Greater Manchester is one of the pilot projects for the Cabinet Office's open data scheme. That means that across all of Greater Manchester the public can access, completely free of charge, data on utilities, services, natural boundaries and, quite importantly, land ownership. We have discovered that the public sector sits on quite a lot of land that is ripe for development. Of course, the Land Commission will identify that as part of the whole parcel of attempts to get such sites developed. I recommend that the Minister, when he visits Greater Manchester, takes a look at that project.

Gavin Barwell: I am always grateful for tips. I think that I am coming up to co-chair a meeting of the Land Commission at the start of December with Tony Lloyd, so I am grateful to the hon. Gentleman for drawing that project to my attention.

I think that we are all localists here, but I hope that we all recognise that, to capitalise on the opportunities provided by new technology and gain maximum value, key planning data need to be published in a consistent format across the country. If every local planning authority opened up its data, but did so using different systems and in different ways, it would be much more difficult for people who want to operate across local planning authority boundaries to make use of the data.

The intention behind new clause 6 is to open up those possibilities, and it will do that by amending the Planning and Compulsory Purchase Act 2004, with which we are becoming very familiar by now, to enable the Secretary of State to publish data standards. In essence, those standards are detailed technical specifications that local planning authorities must meet for documents that they are already required to publish.

We want to work with representatives of the sector to develop the specification of the data standards. We will then consult local planning authorities on the technical document that authorities will need to follow. Once the data standards are defined, they will apply to all local development documents, the planning documents prepared by a local planning authority; and local development schemes, the timetable for the preparation of the development plan documents that comprise the local plan.

The measure provides a solid basis for creating more accessible and more transparent plans. Opening up public data lies at the heart of a wider Government push for a digital nation, in which the relationship between individual citizens and the Government is transformed. This is a small but important contribution to that.

Dr Blackman-Woods: I will make a few brief comments on new clause 6 and on amendment (a). The Opposition very much welcome new clause 6. Anything that the Government can do to make planning documents more accessible to local people, the better, because, as I described earlier, some of those documents can be very weighty and lengthy. Being able to access them easily online and in a format in which people can comprehend them more easily will be a good thing and is very much to be welcomed.

I tabled the amendment on technical documents to test with the Minister whether the provisions of new clause 6 will relate to technical documents as well and to ask whether the Government will give some consideration—to reiterate a point I made earlier—to what exactly is needed in technical documents, which are public-facing documents. Obviously, we want people to have as much information as possible about what underpins policies in a local plan, but we also want to ensure that the important points do not get lost in a mass of detail such that people never seek to address, look at or try to understand the documents.

My first point is that I broadly welcome new clause 6, and it will be interesting to see how it works in practice and what sort of data the Secretary of State puts in the standards. I hope that the Minister will learn from his Cabinet Office colleagues about the open data project mentioned by my hon. Friend the Member for Oldham West and Royton and that the documents are made as successful as possible. Will the Minister deal with the specific issue I have raised about how we might do the whole technical documents thing?

Gavin Barwell: I hope that the hon. Lady and I can have a discussion outside the Committee to test whether we have a point of difference here. In essence, as the new clause is drafted, it defines what needs to be released in legally precise language—as I said, the local development documents, which are the planning documents prepared by the authority, and the local development scheme,

[Gavin Barwell]

which is the timetable for preparation. If she feels that that does not capture some of the things that need to be released, the Government are very happy to look at what other wording can be included. Clearly, however, the wording would need to be precise, so that authorities understand it exactly. Our intention is clear: all the key documents that make up the local plan should be covered by the measure. If, having listened to me, hon. Members feel that there is a gap here and that something is missing, I am happy to talk about it outside the Committee, perhaps coming back at a later date to address it.

Question put and agreed to.

New clause 6 accordingly read a Second time, and added to the Bill.

New Clause 7

REVIEW OF LOCAL DEVELOPMENT DOCUMENTS

In section 17 of the Planning and Compulsory Purchase Act 2004 (local development documents) after subsection (6) insert—

"(6A) The Secretary of State may by regulations make provision requiring a local planning authority to review a local development document at such times as may be prescribed.

(6B) If regulations under subsection (6A) require a local planning authority to review a local development document—

(a) they must consider whether to revise the document following each review, and

(b) if they decide not to do so, they must publish their reasons for considering that no revisions are necessary.

(6C) Any duty imposed by virtue of subsection (6A) applies in addition to the duty in subsection (6)."—*(Gavin Barwell.)*

This new clause enables regulations to require a local planning authority to review local development documents at prescribed times.

Brought up, read the First and Second time, and added to the Bill.

New Clause 9

Sustainable development and placemaking

(1) The purpose of planning is the achievement of long-term sustainable development and placemaking.

(2) Under this Act sustainable development and placemaking means managing the use, development and protection of land and natural resources in a way which enables people and communities to provide for their legitimate social, economic and cultural wellbeing while sustaining the potential of future generations to meet their own needs.

(3) In achieving sustainable development, the local planning authority should—

(a) identify suitable land for development in line with the economic, social and environmental objectives so as to improve the quality of life, wellbeing and health of people and the community;

(b) contribute to the sustainable economic development of the community;

(c) contribute to the vibrant cultural and artistic development of the community;

(d) protect and enhance the natural and historic environment;

(e) contribute to mitigation and adaptation to climate change in line with the objectives of the Climate Change Act 2008;

(f) promote high quality and inclusive design;

(g) ensure that decision-making is open, transparent, participative and accountable; and

(h) ensure that assets are managed for long-term interest of the community."—*(Dr Blackman Woods.)*

This new clause would clarify in statute that the planning system should be focused on the public interest and in achieving quality outcomes including placemaking.

Brought up, and read the First time.

Dr Blackman-Woods: I beg to move, That the clause be read a Second time.

I accept that this is a fairly long new clause, but it seeks to do something that is really important: to put the purpose of planning in the Bill to be absolutely certain that it is about achieving long-term sustainable development and, critically, placemaking alongside that. It is very much along the lines of, but not identical to what is in the national planning policy framework.

The new clause then says what a local planning authority should do to try to achieve sustainable development: identify suitable land for development; contribute to the sustainable economic development of the community; contribute—this is really important because it often falls off the agenda when considering development issues—to the vibrant cultural and artistic development of the community; protect and enhance the natural and historic environment; contribute to mitigation and adaptation to climate change in line with the objectives of the Climate Change Act 2008, which I rehearsed for the Committee the other day; promote high-quality and inclusive design, which in my experience planning applications and determinations do not pay enough attention to; ensure that decisions are transparent and involve as many local people as possible; and finally and really importantly, because it often falls out of the decision-making process in applications, ensure that assets are managed for the long-term interest of the community.

Far too many developers in my area and others are very keen and quick to demolish or to enable alterations to be made to important historic buildings, for example, particularly if they are not protected by a listing. Planners often do not consider the short-term nature of some developments and whether they are of poor quality. If planning communities had to think about how they were managing assets for the longer term, some of the truly awful planning decisions that have been made might not have been made.

The Royal Town Planning Institute, in its August 2016 report, "Delivering the Value of Planning"—I am sure that it was one of the first things to land on the new Minister's desk—pointed out:

"Instead of stripping power from planning, governments need to maximise the potential of planning and ensure that planners have the powers and resources to deliver positive, proactive planning."

That is the purpose of new clause 9.

3.15 pm

In terms of how positive planning can be in delivering new development and communities, we also want to consider what is happening in some other countries. If the Minister is planning a world tour—he might be after this Bill, and certainly before the next one—he might want to visit China, where planning has become

the primary tool for municipalities to attract new industrial and residential developments. Because China is developing new cities, which is not happening everywhere around the globe, it is an interesting place to visit to see what planning can deliver when it is done properly and how it can overcome obstacles to growth.

I will not say that everything about the system in China is absolutely fantastic, because I am not sure that is the case, but China is keen, through the planning system, to develop new settlements and ensure that they are underpinned by economic development and deliver all the different facilities and services required to make a new community and a new place where people want to live. My point is that we in the UK are in danger of losing that kind of proactive planning and thinking about how to envision a neighbourhood going forward for 30 or 50 years.

I know that the Minister's White Paper is getting bigger by the day, but I want to add something else for him to consider in it. How might he encourage local authorities, either singly or in combination, to think about delivering new settlements? I suspect that we will not be able to address the housing need in this country unless we think about how to support local authorities to bring together new settlement proposals. My preferred route to that is to facilitate the development of new garden cities underpinned by the garden city principles, because that seems most agreeable to local communities. When I have talked to people in my local community about a garden village or a garden city extension, they understand what it means. They think that it will be a good-quality development with decent, affordable family housing, a range of services, access to employment and transport and an ongoing fund for the community to keep infrastructure and services in a reasonable condition.

I will not say much more, but I point the Minister to the RTPI's new publication. There are also regular publications by the Town and Country Planning Association and others that point to a positive role. The reason why I emphasise it with him is that in the past I have had lots of discussions—I think that the current Minister is the third or fourth Planning Minister with whom I have dealt—and what I have heard is that planning is a block to development and is what holds up development in this country. It is often portrayed in a negative way, whereas we know that planning can be the method by which we create development. In fact, if we use planning positively it can deliver the neighbourhoods and the places that we all want to see developed and would all want to live in and bequeath to our children and grandchildren. New clause 9 asks for something to be put in the Bill to recognise the positive role that planning can play in making places we all want to live in; in protecting our need not only for employment and housing, but for access to culture and leisure, and in promoting healthy environments.

Gavin Barwell: I thank the hon. Lady for tabling the new clause and for underlining the importance of sustainable development and placemaking. To a degree, we have had this debate before—we had an interesting debate earlier about sustainable development—so she probably knows what I am going to say on the overall issue. However, she raised some interesting specific points about new settlements, which I will come on to in a moment.

The Government agree that sustainable development is integral to the planning system and that a plan-led system is key to delivering it, but we do not believe that it is necessary to write these things into legislation. The new clause seeks to make the achievement of sustainable development and placemaking the legal purpose of planning, and it would set objectives to be met by local planning authorities in working towards that goal. However, the Government believe that that goal is already adequately addressed both in legislation and in policy. I refer the hon. Lady to a statute that I have referred to many times today, the Planning and Compulsory Purchase Act 2004, section 39 of which requires bodies that prepare local development documents for local plans to do so

"with the objective of contributing to the achievement of sustainable development."

Our national planning policy framework is also very clear that sustainable development should be at the heart of planning and should be pursued in a positive and integrated way. Taken as a whole, the framework constitutes the Government's view on what sustainable development means. It is explicit that the purpose of the planning system is to contribute to achieving sustainable development; that the economic, social and environmental aspects that the hon. Lady referred to in some detail in an earlier debate are mutually dependent and that none should be pursued in isolation. The Committee has discussed the NPPF already, so I will not read out a long quotation from it, but the first sentence of the ministerial foreword, written by my right hon. Friend the Member for Tunbridge Wells (Greg Clark) when he was Secretary of State for Communities and Local Government, reads:

"The purpose of planning is to help achieve sustainable development."

Our commitment there is very clear. That principle runs through all levels of plan-making—strategic, local and neighbourhood. Since decisions on individual applications must by law be plan-led, the goal of sustainable development permeates the planning system.

Although the Government completely agree with the hon. Lady about the importance of sustainable development and placemaking, we do not believe that setting a prescriptive definition in statute is the right way forward—not least from a democratic point of view, because it is perfectly possible that a future Government will want to amend the NPPF definition in some way, hopefully an ever more progressive way. In our view, that should not necessarily have to be done by introducing more primary legislation; the Government should be able to do it through policy.

For those reasons, I ask the hon. Lady to withdraw her new clause, but I will say a few positive words on her comments on new settlements. I very strongly agree with those comments. I have had some very good discussions with the Town and Country Planning Association on the issue, and I recently addressed a conference at Alconbury Weald, which is one of the new settlements being delivered along garden village principles. There were people there from all over the country who had bid into our programme to create new garden towns and villages. I very much hope to make an announcement on that shortly.

The Government have taken action fairly recently to try to change the law in a way that helps the process. At the instigation of the noble Lords, Lord Best and Lord

[Gavin Barwell]

Taylor of Goss Moor, we made some important changes to the New Towns Act 1981 by means of the Housing and Planning Act 2016. Those changes make it easier to set up new town development corporations in areas and to extend their objectives so that they can better support the delivery of new, locally led garden towns and villages where that is what local areas want.

I very much agree with the hon. Lady that new settlements will be an important ingredient of our strategy to ensure that we get this country building the homes we need. They are not the only answer because, by definition, a significant number of new homes are involved in the creation of a new settlement, and it takes time to get the build-out of those properties. We also need smaller sites where we are more likely to get rapid build-out. The hon. Lady is right to say that in many parts of the country it will prove much more politically acceptable to plan some new sustainable settlements, with all the community infrastructure and environmental sustainability that is at the core of the garden town and garden village concept, than to slowly expand every existing settlement out.

The Government share the hon. Lady's thoughts on new settlements, and our garden towns and cities programme is good evidence of that. In fact, one of the first visits I made as a Minister was to Ebbsfleet to see the progress that is being made. It took some time to get under way, but we are now seeing good progress. I am looking forward to visiting several other new settlements throughout the country over the coming months. I very much share the aspirations that the hon. Lady expressed in support of her new clause.

Dr Blackman-Woods: I thank the Minister for his response, much of which I anticipated, if not quite all of it. I shall make two brief points.

First, with some of the detail of the new clause I was trying to tease out the extent to which the Government feel that new towns or garden cities have to abide by the garden city principles. For example, I discussed with the Minister's predecessor the lack of affordable housing in Ebbsfleet, which did not seem to me to be in line with the garden city principles. That is why the new clause contains quite a detailed list and includes things such as community assets, which are not mentioned in the national planning policy framework. Will the Minister ponder on the fact that there is a great deal of detail in the new clause that is not in the NPPF? How might such detail be applied to new towns?

Finally, we have not discussed this much in Committee because the national infrastructure commission was taken out of the Bill, but I emphasise to the Minister that for any new settlement it is essential to get the infrastructure costs met, and met up front. That was a huge problem for Ebbsfleet, which is why there was considerable delay in the build-out. When the Minister comes to putting the final touches to the White Paper, I hope there is something in it about how infrastructure will be funded, because that seems to be a major issue that holds up the development of new settlements. With that, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 10

FUNDING FOR LOCAL AUTHORITY PLANNING FUNCTIONS

(1) The Secretary of State must consult local planning authorities prior to the commencement of any new statutory duties to ensure that they are—

(a) adequately resourced; and

(b) adequately funded

so that they are able to undertake the additional work.

(2) In any instance where that is not the case, an independent review of additional cost must be conducted to set out the level of resource required to allow planning authorities to fulfil any new statutory duties.—*(Jim McMahon.)*

This new clause would ensure that the costs of new planning duties are calculated and adequately funded.

Brought up, and read the First time.

Jim McMahon: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 15—*Ability of local authorities to set planning fees*—

(1) A local authority may determine fees relating to planning applications in its area.

(2) Subsection (1) applies, but is not restricted to, fees relating to—

(a) permitted development applications, and

(b) discharge of planning conditions.

Jim McMahon: The new clauses are linked: they both relate to resources and funding. New clause 10 would ensure that we carry out a thorough review to understand the situation in local authorities, while new clause 15 would give local authorities the ability to charge more realistic fees for the services they provide.

We have heard a great deal in Committee about resourcing—it was a key feature of the oral evidence sessions—and about how local authorities have been affected by central Government cuts to the revenue support grant and how that has affected planning services. Despite that, local authorities are still subsidising planning services, because they are not able to get enough money from planning fees to cover the cost of those services.

3.30 pm

It is worth spending some time to remind ourselves of the evidence that was given by industry professionals. We heard representations from Andrew Dixon from the Federation of Master Builders, who said clearly:

"Under-resourcing is a major issue that causes numerous hold-ups within"—[*Official Report, Neighbourhood Planning Public Bill Committee,* 18 October 2016; c. 11, Q6.]

the planning system. Roy Pinnock from the British Property Federation reinforced that point. He said:

"There is a general consensus, particularly among commercial development investors, that you get what you pay for. There is a completely profound lack of resource in authorities to deal with the situation in which we find ourselves. It is the single biggest brake"—

we must heed that—

"on development, in terms of applications and starts on site".—[*Official Report, Neighbourhood Planning Public Bill Committee,* 18 October 2016; c. 12, Q9.]

That is someone who is in the industry and representing the industry saying, "Look, we recognise that if we want a decent service, it is going to cost, but it is worth paying that cost, because that will speed applications up, we will get a better quality service and the industry will benefit overall."

We heard evidence from Hugh Ellis, who said that research that the Town and Country Planning Association had carried out

"showed that planning teams had fallen below the critical mass".—[*Official Report, Neighbourhood Planning Public Bill Committee,* 18 October 2016; c. 26, Q34.]

Those teams cannot even keep their heads above water. We heard from the Minister only the other day that conditions were being used as an "abuse" and were being put in place because planning teams did not have the resources to administer conditions in a way that developers would find realistic and reasonable. I think "abuse" is pushing it. That is an understandable reaction to where planning teams find themselves. They cannot deal with the mountain of planning applications that are coming through. If the economy goes and we see the number of houses being built that the Government and communities want, those teams' workload will increase. We need to ensure that we have the capacity to deliver those houses.

On sustainability, witnesses also told us that there is evidence that authorities do not have enough people to deal with complex sites, particularly where flooding is an issue. Mr Ellis said that when the Town and Country Planning Association visited some such authorities, it

"found 1.2 full-time equivalent members of staff were working on a local plan process"—[*Official Report, Neighbourhood Planning Public Bill Committee,* 18 October 2016; c. 26, Q34.]

let alone administering planning applications.

Most people would recognise that the number of staff that are needed is not fixed. That will always be a matter of local discretion and ensuring that demand is matched with the resource to administer that demand. We are therefore not prescribing numbers, but we are reflecting the fact that we need to ensure that there is a "critical mass" in the planning system—a point that came through strongly in the evidence.

We heard from Councillor Newman, who represented not just his own council—although he described quite a lot of first-hand experience of the real difficulties that local councils face—but the cross-party LGA. This is not a party political issue; it is just a practical reflection on the position local councils find themselves in. He offered a solution on behalf of the LGA: to have locally set planning fees. He highlighted that it would then

"be for the local authority to justify both the fees it charges and the outcomes of the service it offers."—[*Official Report, Neighbourhood Planning Public Bill Committee,* 18 October 2016; c. 27, Q35.]

Effectively, there would be a direct contract between the developers who pay for that service and the local authorities that provide it—a relationship of equals, I hope. That is a realistic and reasonable proposal. We also heard evidence from Tim Smith, who said:

"Successive proposals to change legislation have all brought about additional burdens on local planning authorities without a consequent increase in the resourcing available to them.—[*Official Report, Neighbourhood Planning Public Bill Committee,* 18 October 2016; c. 67, Q118.]

Evidence from the Minister, who pointed to the White Paper and discussions that are taking place, was reassuring, but we need to reassure our local authorities. We have been debating expectations and pressures on local authorities, and it is fair to say that there is nervousness about that. Councils are not unwilling to do what is proposed—I think most accept that a well run planning system based on plans and evidence is the way to go—but there is very real concern about those proposals.

My hon. Friend the Member for City of Durham mentioned in a previous sitting the British Property Federation report published in October last year titled, "Key findings—a system on the brink?" That may be a leading title. Members might be able to guess what the report is going to say. It says that the system is on the brink, but there are lots of data in it about how the industry feels about navigating an under-resourced planning system. The BPF did a review and deep-dived in a number of areas, including Greater Manchester—it has been held up a few times in our sessions as an area of best practice—but even there it found a system on the brink. It also expressed concern about the future for local government finance. It said:

"However, with further Government cuts looming, the risk is that down-sizing (rather than investment) could top the agenda. This is worrying news for all involved in, and dependent upon, planning activity in England. Development activity is critical for our economy"—

I think we can all agree on that—

"not least in order to tackle the urgent housing crisis; but the planning system appears to be hovering dangerously close to the edge. Our findings suggest that more resourcing is needed…and quickly."

That "and quickly" bit is important. It is not necessarily about the new burdens coming forward. The current planning system under the current rules with the current demand is struggling to keep up. Just imagine what the added weight of expectation and demand will do.

The report also asked developers and local authority planning departments:

"Is the planning environment now better or worse than it was in 2010?"

Among local authorities, 11% said it was much worse and 39% said it was worse. Only 25% said it was better. That broadly reflects that greater clarity is coming through on expectations, but resources are not being provided to ensure that local authorities can deliver on those expectations.

The report also asked about the challenges to local authorities in delivering on developers' ambitions. Unsurprisingly, the biggest challenge was under-resourcing: 55% of local authorities said it was a significant challenge and 86% said it was a challenge. Only a small minority of authorities believe that under-resourcing was not an issue. We know that under-resourcing affects not only applications and the administration of applications, but partnerships. As we have discussed, when the system works well, we have ambitious planning departments, communities ambitious for their future and ambitious developers working together to the same end and pooling resources to ensure they have the best quality communities and housing being developed. That relationship is put under strain if there is frustration within the system, and that is a pity.

We see planning officials who have spent a long time being trained in their profession and have a genuine desire to see quality design brought through. We see developers that have sometimes gone through a long period acquiring land and working with their architect to develop something that they believe will add value. With neighbourhood plans, communities will have had real involvement in designing the communities they will live in. It would be a real shame, with that mix and after trying to get the framework right, not to ensure that the resources are there to deliver on the plans.

From the evidence that was given, the best thing to do is not necessarily to ask Government to write a cheque. Perhaps the Chancellor will be pleased about that; I am sure many Ministers come knocking on the door asking for more cash. As far as I can see, the measure that would make the most difference would be for local authorities to have the freedom, autonomy and ability to decide for themselves in the local context the appropriate fees to be levied on a development, both at application stage and to discharge conditions.

New clause 15 is not a probing amendment. We have heard the assurances on the White Paper and what we might be able to expect from that. The new clause is so important that we will want to press it to a vote. Hopefully a vote will not be needed; the measure makes sense to me. Local government is putting it on the table as an option. Perhaps we can agree, and the consensual spirit we have been working towards will not be spoiled by what is a very logical amendment.

Chris Philp (Croydon South) (Con): It continues to be a great pleasure to serve under your chairmanship, Mr McCabe. As I said in an evidence session, I completely accept the principle we just heard described: that planning departments are woefully under-resourced, which is a significant inhibitor to development and to planning consent being granted, and that the most appropriate way to remedy that under-resourcing is for applicants—the developers—to pay higher fees. I agree with the spirit of what has been said. This is a point I raised in the Housing and Planning Bill Committee in this very room a year ago and with both the current Housing and Planning Minister and his predecessor, my right hon. Friend the Member for Great Yarmouth (Brandon Lewis). I am completely on board with the principles being described. However, the two new clauses have some deficiencies.

New clause 10 simply says that where there is inadequate resource, a review must be conducted to set out the appropriate level of resource. Setting it out does not provide it. That is simply a statement that there is inadequate resource, so I do not think new clause 10 addresses the problem; it simply highlights the fact that the problem exists, which we all know already.

New clause 15 is very generally worded. It gives local authorities complete discretion to set their own fees. I have three concerns about it. First, there is no limit on how high the fees might go. I accept that the fees are currently too low, but as drafted the new clause would mean that some local authorities might set fees that are unreasonably high and in fact deter development. There is nothing in the new clause to address that concern. Secondly, there is nothing to ensure that the money raised by higher fees will be ring-fenced for the provision of additional planning services, nor, in a similar vein, to ensure that the existing level of service being provided by general taxation is maintained. There is nothing to ensure that the extra money raised leads to extra—that is to say, incremental—levels of resource in the planning department, which is what I want. Thirdly, the new clause does not place any performance obligations on the local authority planning department. It is essential that if a developer or applicant is paying higher fees, they receive improved performance in return—for example, a decision made within a certain period.

While I fully support the principles articulated by the hon. Member for Oldham West and Royton, I am afraid to say that the details do not quite pass muster. I could not support a new clause unless it had those three things: reasonable fee levels, ring-fenced money to ensure incremental service provision and a link to performance. I am deeply sorry that I will not be able to support the new clause, despite the fact that I support its spirit.

I listened carefully to the Minister's evidence and what he said about the coming White Paper. I very much hope to receive satisfaction when that White Paper is published—I hope in the near future. Should these measures not find their way into the White Paper, I will be an energetic and active advocate of those principles in due course. I would be happy to discuss this further with the Minister.

Gavin Barwell: Let me start by reiterating what I said during previous Committee discussions and in the evidence that my neighbour and hon. Friend the Member for Croydon South just referred to. The Secretary of State and I have heard the concerns of developers, local authorities, professional bodies and hon. Members about stretched resources of planning departments and the calls for an increase in planning fees. We absolutely accept that there is an issue here and we are looking closely at it. I want to ensure that planning departments have the resources to provide the service that applicants and communities as a whole deserve. However, for many of the reasons that my hon. Friend eloquently set out, I do not believe that new clauses 10 and 15 are the answer.

3.45 pm

Taking new clause 10 first, we already have robust mechanisms in place to ensure that local authorities are funded to undertake any additional work arising from new statutory duties placed on them by the House. The new burdens doctrine clearly sets out that when the Government introduce new responsibilities and statutory duties on local authorities, they must be properly assessed and fully funded. That has been the convention for many years, including when Labour was in government. I do not see a need for legislation on that now, and Labour certainly did not do so.

Rather than the wider principle to which the hon. Member for Oldham West and Royton referred, the Government have published a summary of impacts of the specific measures in the Bill. In short, we do not believe the Bill will have a significant impact on local government. The summary document is available in the Library if hon. Members want to study it. If they wish to critique it, I will be happy to listen. For those reasons, new clause 10 is not necessary.

New clause 15 is more substantive, as the hon. Gentleman himself suggested. Localising fee setting is not, on its own, the answer to the resourcing problem. It brings a

number of problems, as my hon. Friend the Member for Croydon South suggested. Instead of a debate on political values and beliefs, let me give a concrete example to illustrate the point: pre-planning application advice, for which local authorities can change their own fees on a cost-recovery basis. I frequently get letters saying that the fees that local authorities charge for such advice are highly variable between authorities, and that the level of service does not always match the cost that potential applicants have to pay.

We are clear that changes in fees need to go hand in hand with improvements in resourcing and performance, to ensure that they deliver a better service for applicants. There is no guarantee that additional income generated through locally set fees would go into planning departments, particularly against the backdrop of local decisions in recent years to prioritise the funding of other services. As my hon. Friend said, the way in which the new clause has been drafted does not even provide a cap on full-cost recovery and would allow local authorities to set fees at levels above full-cost recovery. Far from having the effect that the hon. Member for Oldham West and Royton is trying to achieve—that local planning authorities are better resourced, leading to more development in our communities—the risk is that the fees could be set at penal levels that would deter the very development that we are trying to encourage.

We have to balance what is a fair contribution to the cost of processing planning applications with not dissuading people from taking forward development. Local fee setting may risk fees increasing in a way that discourages homeowners and small developers from bringing forward schemes. We do not want to create uncertainty for developers at a time when we need them to step up the number of homes they are building.

I do not want to break the consensus that this problem exists. I have been clear that I accept that it does, but we need to be clear that when we get evidence it tends to come either from local authorities themselves, expressing the genuine pressures they face, or—and mainly—from larger developers who have the means to pay much higher fees. Indeed, many of the large developers say to me, "We would be happy if local authority planning departments offered a standard service and a premium service. Our members would pay for the premium service to get faster approval." We need to remember that the fees we set are paid by everybody, down to householders paying the application fee for an extension to their property. They may not quite share the enthusiasm that developers have for paying more to get a quicker service.

Chris Philp: Could we not have a graded scale of enhanced fees, reflecting the size of different applications?

Gavin Barwell: There is already a grading of the fees, but the general presumption is that fees increase by a similar percentage. We could consider increasing some fees and not others for larger schemes, with the caveat that although developers with large applications pay very significant fees, the majority of people who pay fees are individual constituents wanting to put an extension on a domestic property.

The hon. Member for Oldham West and Royton and I may have different views on the issue, but it is worth pointing out that we already have the powers to achieve what new clause 15 proposes. The Secretary of State can already provide in regulations for local planning authorities to set their own fees, at least up to the level of cost recovery. I would be surprised if the Opposition believed that fees should go beyond full cost recovery. Earlier this year, we consulted on several proposals for the resourcing of planning departments; we shall publish our response shortly, as part of the White Paper.

Before I resume my seat, I should like to add one other caveat, which does not detract from the central importance of getting the resourcing right. This is about not just money but ensuring that sufficient people enter the profession. In the last year, we have provided the RTPI with funding for a bursary scheme for students undertaking postgraduate planning studies. I very much agreed with the hon. Member for City of Durham when she spoke passionately about the important contribution that planners make with regard to new settlements. Raising the profile and status of the profession and ensuring that planners are seen as not obstructing or stopping development but ensuring that we get the quantity and high quality of development that we need is important in getting enough people coming into the industry.

Money is an issue—I hope I have provided sufficient reassurance that the Government are looking at that—but we must ensure that we have the human resources as well as the financial resources. I ask the hon. Gentleman to withdraw the new clause.

Jim McMahon: I am willing to withdraw new clause 10 on the basis that there is universal agreement that local authority planning departments are under-resourced. If there is no need to carry out a review to establish that, it is not an issue that is worth falling out over.

I do want to press new clause 15 to a vote, though, because we need to focus minds. It is all very well saying that there will be jam tomorrow—there is a White Paper coming and it will all be milk and honey—but our planning departments want more.

Gavin Barwell: Clearly the Opposition can test that issue with a vote, but may I press the hon. Gentleman on the point I raised? Regardless of the wording of the amendment, do the official Opposition believe that planning authorities should be able to charge fees beyond full cost recovery?

Jim McMahon: That has never been a suggestion in any of our debates, or from any of the people who have given evidence. The proposal is not to profiteer from developments that enhance the local community, but to reflect the true cost of administering planning applications. Taxpayers should not subsidise applications through their council tax, and developers should get the service they require. I agree with the hon. Member for Croydon South that there is a need to ensure good performance, as there is a contract between developers and the local planning authority. We would be open to that, as would councillors—Councillor Newman was clear that a better relationship would be created between local authorities and developers through the increased fee and through developers' expectations being managed.

Dr Blackman-Woods: My hon. Friend makes an important point. Does he agree that if the Government do not like the wording of the new clause, they can table another proposal on Report that makes it clear that

[Dr Blackman-Woods]

only full cost recovery is being sought, and that it is about hypothecating for planning any additional money raised?

Jim McMahon: That is an important point. I am a localist at heart. I want to get away from the idea that central Government determine absolutely every fee, charge and activity at a local level. We should be far more inclined to push back and say that if people have an issue, they should take it up with the local authority concerned and have that direct relationship, holding to account locally. It is interesting that we are giving developers a facility that we do not give to members of the public, for example when they are having a relative cremated—we do not determine in Parliament how much those fees should be. We should be a bit more realistic and accept that councils are grown up and mature and that they do such things on a daily basis. That relationship with developers can be done to a great extent.

No one in the Opposition will say that the wording of the new clause absolutely achieves everything we have set out. That was not the intention; the intention was that we put a marker down and that we push the issue, because people have pushed us to push the issue—we heard that in the evidence sessions—and we would be absolutely delighted to see alternative wording come forward at a later stage to tie things down.

Gavin Barwell: I understand that the Opposition want to test the issue with a vote, but I repeat that the law already provides the exact power being sought; it is already in law that we could charge at full cost recovery.

Jim McMahon: It could well be that between now and our next sitting that legislation is used, that the regulatory power of the Secretary of State is enforced and that local authorities are given that ability, in which case we might have a very different debate at our next sitting. As it stands, however, that power is not used, which is why we suggested the new clause. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 11

REVIEW OF SUSTAINABLE DRAINAGE

(1) Before exercising his powers under section 35(1) the Secretary of State must carry out a review of planning legislation, government planning policy and local planning policies concerning sustainable drainage in relation to the development of land in England.—*(Dr Blackman-Woods.)*

This new clause would require the Secretary of State to review the impact of the planning system on the management of flooding and drainage.

Brought up, and read the First time.

Dr Blackman-Woods: I beg to move, That the clause be read a Second time.

I am sure that the Minister was an avid follower of the deliberations on the Housing and Planning Bill, so he will know that the issue raised by this new clause was mentioned in those proceedings, particularly in the other place. The Government have already committed to a review of planning legislation, Government planning policy and local planning policies as they relate to sustainable drainage. Given that, it is appropriate for the Minister to ask, "If so, why make a similar amendment to this Bill?" I hope to give him the answer. The new clause is, first, very much a probing one, so that we may put questions to the Minister about the review, and secondly, to reiterate the importance of undertaking that review before the Secretary of State exercises new powers that the Government have said are made under the Bill in order to bring forward more development.

The review came about as a result of a call for a more strenuous new clause on sustainable drainage that was tabled by a cross-party group in the other place. In response, the Government said that they would carry out a review, although it was much narrower than what was requested by their lordships. We ended up with a commitment to undertake a full review of the strengthened planning policy on sustainable drainage systems by April 2017—narrower than this new clause and the previous one.

The Housing and Planning Minister at the time said:

"The Government are committed to ensuring that developments are safe from flooding, and the delivery of sustainable drainage systems is part of our planning policy, which was strengthened just over a year ago. Our policy is still new, as I outlined in more detail last week, and I am willing to consider issues further as it matures. I am happy to review the effectiveness of current policy and legislation".—[*Official Report*, 9 May 2016; Vol. 609, c. 463.]

That commitment was given in lieu of the amendment in May this year.

4 pm

Notably, the previous Minister did not give the other place a time commitment for when the review would be completed. Further clarification from the Minister suggested that a review would be undertaken by April 2017, but at this point in time we are not exactly sure what stage the review is at, including whether it has started or whether the timescales will be met. The point was forcefully made to the Committee in evidence from Friends of the Earth, which said that the Government are still failing

"to instigate requirements for sustainable urban drainage".

As that issue was brought to my attention, and given the commitment from the previous Minister, I tried to find out what the Government were doing. I am not sure that anything is being done. The point of the original amendment was to say that there is a really serious issue of flooding and that one of the ways in which the Government can more easily address flooding issues is to ensure that new developments have SUDS. That amendment asked that, if any such review identified that there was a lack of SUDS in places where they should be in place, action be taken to ensure that SUDS were applied to new developments. However, lots of developments are going up—as we speak, I suspect—that might be liable to flooding but do not have SUDS in place. As we are planning to build about 1 million new homes between now and 2020, it is important that the Government get on with the review.

Indeed, the Environment Agency estimates that one in six homes in England are at risk of flooding. Some 2.4 million homes are at risk of flooding from rivers or the sea alone, 3 million are at risk from surface water alone, and 1 million are at risk from both. That is an

awful lot of homes at risk of flooding, which is why there was cross-party agreement in the other place that something needed to be done to improve the delivery of SUDS in new developments. That is why we thought the Minister agreed to the review. We thought that it would be a speedy review, given how awful it is for people affected by flooding. Some communities are subjected to flooding year on year, which can be incredibly disruptive for individuals and families. Therefore, some urgency is needed when it comes to carrying out the review and putting SUDS in place. I look forward to hearing what the Minister has to say.

Gavin Barwell: Not for the first time, the hon. Lady has accurately predicted what I was going to say. The Government believe that the new clause is unnecessary. Section 171 of the Housing and Planning Act 2016 includes a requirement for the Secretary of State to carry out a review of planning legislation, Government policy and local planning policies concerning sustainable drainage in relation to the development of land in England. Rather than just leaving it there, perhaps I can provide some reassurance on where we are with all that.

My Department has formally commenced work on the review and that section of the 2016 Act. The review's primary purpose is to examine the extent to which planning has been successful in encouraging the take-up of such drainage systems in new developments. More specifically, it will look at how national planning policies for SUDS are being reflected in local plans; the uptake of SUDS in major new housing developments, including the type of systems employed; the use of SUDS in smaller developments below the major threshold; the use of SUDS in commercial and mixed-use developments, including the type of systems employed; and how successful local plans and national policies have been in encouraging the take-up of SUDS in housing developments. It will engage with a wide range of stakeholders to gauge how the new policy and arrangements are bedding in and to analyse options for further action to improve take-up.

My officials are working on gathering evidence for the review, in collaboration with colleagues at the Department for Environment, Food and Rural Affairs and the Environment Agency. We aim to substantially complete our evidence gathering by spring 2017 to ensure that the findings of the review are available to inform the Committee on Climate Change's adaptation sub-committee's progress report on the national adaptation programme, to be published in summer 2017.

It might be worth saying a brief word about the substantive policy issue. The background to the review relates to a non-Government amendment that sought to remove the automatic right to connect to a public sewer for surface water, in a bid to push people into adopting SUDS. Even before the changes to planning in major developments that came into effect in April last year, the NPPF set out some strict tests, which all local planning authorities are expected to follow, to protect people and property from flooding. As part of that policy, priority should be given to SUDS in all developments—except very minor ones—in areas at risk of flooding. The policy has now been strengthened to make clear our expectation that SUDS will be provided in all major new developments, whether or not in a flood risk area, unless they can be demonstrated to be inappropriate.

As well as strengthening policy expectations, we have extended national guidance to set out considerations and options for sustainable drainage systems, including in relation to their operation and maintenance. Lead local flood authorities have been made statutory consultees for planning applications for major developments, to ensure that local planning authorities have access to appropriate technical expertise and advice.

I hope I have reassured the hon. Member for City of Durham that there has already been a significant policy shift in the right direction and that good progress is being made on the review and on meeting our undertakings in the Housing and Planning Act 2016. On that basis, I ask her to withdraw the new clause.

Dr Blackman-Woods: The Minister is right that I tabled the new clause primarily to get an update on the availability and use of SUDS. There is cross-party agreement that they should be employed when new developments are at risk of flooding, and indeed in wider circumstances. We look forward to seeing the report on the climate change adaptation programme in summer 2017. On that basis, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 12

PLANNING OBLIGATIONS

(1) The Town and Country Planning Act 1990 is amended as follows.

(2) In subsection (1) of section 106 (planning obligations) paragraph (d) at end insert—

"(e) requiring that information submitted as part of, and in support of, a viability assessment be made available to the public."—*(Dr Blackman-Woods.)*

This new clause would ensure that viability assessments are public documents with no commercial confidentiality restrictions, except in cases where disclosure would not be in the public interest.

Brought up, and read the First time.

Dr Blackman-Woods: I beg to move, That the clause be read a Second time.

I am not sure that the Minister and I will be in such agreement on new clause 12, but we shall see. The new clause would ensure that viability assessments are put into the public domain so that they are available for public scrutiny. The Minister will know that the Opposition have long raised this issue. Labour's view is that for the public to accept new development, they have to be absolutely certain that viability arrangements for a site—particularly safety integrity level requirements and section 106 requirements—are all that they should be.

I know from my own experience the kind of situation that can make local people sceptical about development or turn the public against a new housing development: for example, when they do not get the amount of affordable housing they think they should get; or when a contribution to a local primary school is suddenly no longer applied by the local authority because of viability issues. Although I am happy to take on trust a lot of what local authorities do, we would all accept that, as a general principle, local authorities need to be as transparent as possible in all their decisions. I am entirely uncertain as to why the Government are of the view that viability assessments should not be in the public domain.

[Dr Blackman-Woods]

The new clause would also help the public by giving us all a better view of any uplift in the value of land across the country. In some areas developers can provide more of a payback to the local community than in others because of the price of land. It does not always vary depending on the value of land—there will be other local circumstances. However, it would be good to have a more detailed understanding of what is being delivered, in terms of a planning gain, and why that particular level has been arrived at, than we currently have from the information that is in the public domain.

Viability assessments are used by developers to argue their planning obligations under section 106 of the Town and Country Planning Act 1990. Of course, we find that a lot of viability assessments are used to reduce payments, although not always—that would be completely unfair. The Royal Institute of British Architects has commented:

"Despite the Planning Practice Guidance encouraging transparency, developers may opt not to disclose their viability assessments to the public on grounds of commercial confidentiality. It is widely accepted that this is sometimes done in order that they can negotiate down their S106 obligations without public scrutiny. As a consequence, affordable housing may be reduced and the quality of the built environment may suffer."

We know that there is a huge lack of affordable housing across the UK, so it is absolutely vital that developers are not allowed to deliberately dodge their obligations to contribute to affordable housing through viability assessments. It is equally important that they can be held accountable by local people.

National planning policy guidance states that when it comes to viability, plans should

"present visions for an area in the context of an understanding of local economic conditions and market realities."

In many places, local economic conditions mean that some affordable housing is required. In fact, that is the case in most areas; I was trying to think of some areas where it might not be required, and it is really hard to do so because there is such a desperate need for genuinely affordable housing. I am talking about genuinely affordable housing, not the starter homes that the Government have put into this category, because £250,000 is certainly not affordable for many people in my constituency.

Gavin Barwell: What is the average house price in the hon. Lady's area?

Dr Blackman-Woods: In Durham city, which has a very different level of average house prices than in the county, the average house price is probably about £200,000 to £220,000.

Gavin Barwell: In that case, I put it to the hon. Lady that constantly quoting the maximum level for starter homes across the whole of England is not a particularly accurate rendering of what the policy will mean in her area. The average house price in the city is £200,000, so the average starter home in the city will be about £160,000. That certainly would not be affordable to everybody living in the city, but it would clearly bring home ownership within the reach of a greater proportion of her constituents than currently have it.

4.15 pm

Dr Blackman-Woods: I am not sure that that is how the policy will work in practice. I spoke to the developer of a new development in Durham where really quite attractive family homes are being built. The prices range from £220,000 or £230,000 up to £310,000. Without the developer having to change anything at all that it does to roll out the development, it will meet its requirement under the starter homes initiative and will not have to deliver any affordable housing. That is the effect of the policy in an area such as mine. Those homes would have been delivered anyway. I am not sure that the policy is adding to the quantity of genuinely affordable homes locally, which is what we really need.

The point I was making was that greater transparency about viability arrangements would help us to understand how planning gain is arrived at and give the local community, which is at times concerned about how section 106 obligations get watered down, more confidence in the planning system overall. It would help communities to accept development more readily if they understood what the costs were and how they stacked up. Sometimes, such transparency would lead to more sympathy for developers than they currently get. The public often assume that the developers are making thousands and thousands of pounds from each development, but in some areas of the country where land prices are more difficult for developers, that might not be the case at all.

The new clause could help developers by making it clear how their obligations were arrived at. It would also help the public to understand how the finances and the housing market in this country stack up. On top of that, it might create circumstances in which, when the public are concerned about a particular development, better negotiation can take place between the developer and the local community about what can be delivered and in what way. At the moment, those conversations simply do not happen because viability assessments are kept confidential.

Gavin Barwell: As the hon. Lady said, new clause 12 relates to section 106 planning obligations and viability assessments. Planning obligations are normally agreements negotiated between the applicant and the local planning authority. They usually relate to developer contributions to infrastructure and affordable housing, and reflect policy in local plans.

The purpose of a section 106 planning obligation is to mitigate the impact of otherwise unacceptable development, to make it acceptable in planning terms. Local planning authorities may seek viability assessments in some circumstances, but Government guidance is clear that decision taking on individual applications does not normally require an assessment of viability. Developers may submit a viability assessment in support of their negotiations, if they consider that their proposed development would be rendered unviable by the extent of planning obligations sought by the local planning authority. Some authorities make such assessments publicly available, which I suggest shows the hon. Lady that there is no need to introduce legislation. Local authorities are currently perfectly free under the law to do what she wants them to do.

It is important that local authorities act in a transparent way in their decision-making processes. My main point of assurance to the hon. Lady is that there is already

legislation—principally the Freedom of Information Act, but also the Environmental Information Regulations 2004—that governs the release of information. If necessary, that legislation enables people to seek a review if they are not satisfied by the response of the local authority and, ultimately, to appeal to the Information Commissioner if they remain unsatisfied.

Jim McMahon: If a developer does not want that information to be made public because of the commercial confidentiality of the scheme, surely it would be exempt from release under the Freedom of Information Act.

Gavin Barwell: That is my understanding. I am not an expert on that legislation, but I understand that that would be a judgment for the Information Commissioner to make. The hon. Gentleman has put his finger on the problem.

Sometimes developers will argue that the information they provide in order to give the authority a proper insight into the viability of a development is highly commercially sensitive. Therefore, they would not want to see that released in the public domain. If we were to change the law requiring all viability assessments to become public, there is a danger that the quality of information that local authorities would receive as a result would be significantly diminished.

I hope I have provided some reassurance. I will end with two other quick thoughts. There is a read-across from the amendment to the review of the community infrastructure levy, which is currently sitting on my desk, which looks at both CIL and the interaction with section 106. There are some powerful arguments to look at reform in this area so that we are more dependent on a nationally set charge that is locally collected and spent locally and less dependent on individual section 106 contributions, where there is much more scope for the kind of long-running argument that does not necessarily work in the public interest.

Although it is slightly tangential to the amendment, because the hon. Lady was principally concerned with affordable housing I want to set her straight on the starter homes policy. We are very clear on what the policy is, which is to require developers to provide a proportion of homes—we have yet to set out what that will be—at a 20% discount to what the market price would otherwise be. The figures bandied around in London are different because the limit is different in London—this is frustrating to me—so I regularly hear from people who have had colleagues from the Labour party contact them, who say, "Who says £450,000 is affordable?" but that is the maximum limit in London. In New Addington in my constituency, homes sell at well below that, and starter homes will sell at a 20% discount to what they would otherwise sell at in New Addington.

I will not claim for one moment that starter homes will ensure that home ownership is affordable for everyone who currently cannot afford it, but there is compelling evidence—if the hon. Lady is interested, I can write to her with the figures—that it will allow a significant proportion of people who currently privately rent to access home ownership who would not otherwise do so.

Dr Rupa Huq (Ealing Central and Acton) (Lab): Will the Minister update us on the Help to Buy programme? I understand that that has collapsed.

Gavin Barwell: The hon. Lady is wrong. It has not collapsed; it continues to help large numbers of people own their own homes. There were two different Help to Buy schemes: the mortgage guarantee scheme and the equity loan scheme. The mortgage guarantee scheme, which applied to all homes, was basically a market intervention because after the great depression of 2008-09 there was a point in time when people with low deposits were not able to access mortgages. The scheme was an intervention to deal with that. The market has now adjusted and it is possible to access those kinds of mortgages.

The equity loan scheme applies when people are looking to buy a new build property. That scheme is still running because there is a strong public policy benefit. Research evidence shows that something like 40% of those purchases are homes that otherwise would not have been built. The scheme is therefore helping to drive up the supply of new housing, which ultimately is the critical issue we are debating. The publicity the hon. Lady has read—to reassure her, she is not the only person to have got the wrong end of the stick—was about a particular part of the Help to Buy scheme that is coming to an end at the end of this year. The equity loan scheme is continuing, and it will continue through to at least 2021.

I will not go much further, because this is slightly tangential to the main issue, but I want to reinforce strongly and publicly that the starter homes policy will bring home ownership within the reach of a significant number of people who would not otherwise find it affordable. It is not the only answer—other things are required, and I am happy to accept that affordable housing should be about not just helping people to afford to buy, but shared ownership and affordable homes for people to rent. We should not say that the starter homes initiative is not making a contribution to helping people afford a home of their own.

Dr Blackman-Woods: Let me give the Minister a bit of reassurance in terms of our understanding of the starter homes initiative. Opposition Members understand what the words "up to £250,000" mean. We were not suggesting that every single home will be £250,000 under this initiative or £450,000 in London, nor were we suggesting for a minute that the initiative does not reduce the cost of home ownership for a number of people. I do not recall mentioning that.

I was making the point that in lots of our constituencies, reducing a home from £250,000 to £200,000 does not make it affordable housing for many people. Enabling developers to discharge their affordable housing obligations through this mechanism means that money might not be available for other obligations under section 106 of the 1990 Act. Because of the viability of a particular site, we would not know that, because we were not seeing the viability assessment.

Gavin Barwell: It is important to get this on the record. The hon. Lady is quite right that if we set the requirement for starter homes too high, it could squeeze out some other important forms of housing. However, one difference that is worth teasing out is what we understand by the term "affordable housing". It has been used traditionally in housing policy to mean council and housing association housing. When most of our

[Gavin Barwell]

constituents hear the term, they are interested in how they can be helped to afford a home of their own. To me, policy that makes home ownership affordable for people who otherwise would not have been able to afford it is not the only important type of affordable housing but is absolutely affordable housing.

Dr Blackman-Woods: International uses of affordable housing are usually something like three times average income. In my constituency, that would make a home affordable at about £75,000 or £80,000 if it was one person, and for a couple, double that. That is by international standards. For a lot of people on average incomes, that puts starter homes out of their reach, but that was not the point I was raising.

Now it is my turn to tell the Minister that we are doing a piece of work on what affordability means in the current housing environment. When we have completed that, I will be happy to share it with him. New clause 12 seeks to make viability a bit more transparent. The Government's own review of the NPPF and guidance came forward with the suggestion of guidance being stronger on the transparency of viability assessments. I direct the Minister to Lord Taylor's work and ask him to ponder on it. That was, as far as I understand it, an independent review of the Government's guidance. There is general agreement that it would be really helpful to our whole development system if viability was more transparent. On that basis, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 14

Review of permitted development rights

(1) Before exercising his powers under section 35(1) the Secretary of State must review the provisions of all General Development Orders made under the powers conferred to the Secretary of State by sections 59, 60, 61, 74 and 333(7) of the Town and Country Planning Act 1990 granting permitted development rights since 1 January 2013.—*(Jim McMahon.)*

This new clause would require the Secretary of State to review the permitted development rights granted since 2013.

Brought up, and read the First time.

Jim McMahon: I beg to move, That the clause be read a Second time.

New clause 14 intends to finally hold the Government to account on the extension of permitted development rights. We have heard a lot about our aspirations for quality, decent neighbourhoods and places where people aspire to live and are proud to live. Extension of permitted development rights flies in the face of that, because it allows a free-for-all for developers without checks and balances, local control and long-term stability and quality in mind.

4.30 pm

It was evident that the reason that this was introduced was to kick-start the number of units being brought to the market. Most people anticipated that it would be a temporary move until more permanent features were introduced that took a longer term view. Many people were therefore surprised when it became permanent. They say, and I agree, that it flies in the face of what the Government are trying to do on a range of other issues. That is the purpose behind the new clause.

It is worth putting the new clause into some context. The Library has provided data—I know that, like me, the Minister has a passion for data. Figures from his own Department highlight the reduction in the number of units being converted from commercial to residential use—a figure that dropped significantly, unsurprisingly, in the 2008 crash, because demand fell. Up to that point, many decent-quality conversions took place. Many of our major cities and towns were revitalised, with mills being converted into decent properties that people wanted to live in, creating brand-new communities in areas that were previously derelict. Those conversions were welcomed by many people, but since the financial crash we have seen a year-on-year reduction in the number of conversions. In 2006-07, 20,000 units were converted, but the number fell 12% in the following year, and by 6%, 18% and 15% in subsequent years. With the introduction of the temporary extension to permitted development, the figure increased in 2014-15 back to 20,000 units.

If the intention was to kick-start such development and get it back to where it was before the crash, it achieved that, but developers and communities were waiting for the long-term plan that would put quality and affordability back into the system. It is depressing that that has not been forthcoming. Although 20,000 units were brought to the market in 2014-15, it only takes us back to the pre-crash situation. That is good news, but there is a world of difference in the quality of what was being developed before the financial crash and what is currently being developed under extended permitted development rights—and I am not the only one saying that.

We heard several representations in our oral evidence sessions. We have shared our own views on the issue. I also sought out the views of Shelter, which has a keen interest in ensuring that we provide decent-quality housing. It has a living home standard because it wants to ensure that affordability and quality are key in people being able to access their own home, but when it applied the test, four out of 10 households failed it on affordability. Many of the developments being converted from commercial to residential use are in some of the most expensive parts of the country. Developers are making a lot of money off the back of such schemes, without providing the quality.

Julia Park is the head of housing research at Levitt Bernstein and she spent seven months advising DCLG on its housing strategy towards the Housing and Planning Bill. She was advising Government and she was aware of the discussions that were taking place, and her assessment is stark. Her view is that the office to residential free-for-all has resulted in terrible homes, including some flats of only 14 square metres. "Terrible" was the term that she used, as someone actually involved in the housing and planning review. That was not a political point, but a professional view of the quality of those homes. In another pointed remark, she said:

"Bypassing all standards except basic building regulations is short-sighted and desperate".

Kevin Hollinrake: I draw the Committee's attention to my entry in the Register of Members' Financial Interests, which I should have done earlier.

Is the hon. Gentleman implying that every single development that is commercial to residential is not done well? In my life prior to entering politics, I dealt with many schemes that developers brought forward because of permitted development rights. They resulted in excellent developments that met market demand, which is key. I do not deny that there will be problems on some occasions, but is he trying to argue that every single development is an inappropriate home not built to the right standards?

Jim McMahon: I suppose the hon. Gentleman could listen to me, or he could listen to the architect who said of the Housing and Planning Bill:

"This new Bill only addresses speed of delivery: short-sighted political gain at the cost of long-term quality."

The professionals are saying that quality is an issue. I can point to conversions in Greater Manchester, which I know well. Some have used the extended permitted development rights to produce a quality development. That will almost certainly be true, but we can all point to one and try to hold it up as an example of many, when of course that is rarely the case. However, as we are seeing, the Government just do not know. It is okay to shine a light on the evidence provided by professionals, but the Government do not know the answer. If a more regulated planning system were brought back in, council planning departments would definitely be able to get a grip on quality and see it through.

That is all we are asking for. It is not about passing judgment on whether premises should or should not be converted from commercial to residential; it is about ensuring quality, affordability and long-term sustainability and starting to plan communities and neighbourhoods, instead of letting developers get away without paying their fair share. I cannot see why anybody would argue against that. It would highlight the best developers who contribute to community and society. Fair play—they make a profit doing so, and there is nothing wrong with that, but there are some people who do not play the game fairly and who extract as much cash from it as possible, with absolutely no interest in quality or community. Bringing measures back in to take firmer control of that has got to be in the long-term interests of this country and of our towns and cities.

Dr Blackman-Woods: Would my hon. Friend like to point out to the hon. Member for Thirsk and Malton that on the internet, one can find the 10 worst permitted development loopholes, and they are truly shocking? I am happy to let the hon. Gentleman see the examples after the Committee has ceased this sitting. They point to some serious breaches of good planning policy that emerge from an overzealous use of permitted development.

Jim McMahon: That is a fair point. The topography of a town like Oldham, in the beds of the Pennine hills, is a good example. Under the current permitted development rights, height restrictions apply only at the start of a development. If someone who lives on a slope builds out to the maximum height allowed, by the time they get to the bottom of the hill, the property could be 10 m high. Under permitted development, they would be allowed to do so, with no thought for the consequence to the people living below. There are issues, not just about conversion from commercial to residential but about the character and nature of our communities and where people live, and the impact that neighbouring properties can have on each other.

We have heard a lot about quality, and about how neighbourhood planning would go a long way towards giving community a voice. The Bill does not do that. It takes away that voice, it takes away control and it takes away the quality that we all aspire to. We think that new clause 14 is important. It is not a probing amendment; we are absolutely committed to seeing it to a vote, and I hope that we get some support on it, because it is in line with the debate that we have been having.

Gavin Barwell: To a degree, we had a debate on the principle of this earlier when we debated clause 8, so I will not rehearse all those arguments. However, I will pick out three or four points from what the hon. Gentleman said and then make one substantive point about the wording of the amendment, which I think is relevant.

I think that I am quoting the hon. Gentleman correctly—he was quoting somebody else; they were not his words—in saying that the allegation is that this is all about speed and political benefit at the expense of quality. I think I captured the quote correctly. There is no political benefit at all; the benefit is providing homes to thousands of people who otherwise would not have them. There absolutely is a debate to be had about quantity versus quality. I suspect that that is an ongoing debate in housing policy, but it is worth putting it on the record that there is no political benefit to the policy. The Government are trying to drive up the supply of housing in this country to meet the urgent pressing need for extra homes. That is what the policy is about.

The hon. Member for City of Durham gave some terrible examples she had seen of how the policy had been misused. As constituency MPs, we all see examples of where people have gone ahead and done things without getting planning, and the enforcement system has not picked it up, and we also see examples of developments that planners have approved that are of appalling quality. Even if we lived in a world where every single change to any building, however de minimis, had to go through a formal planning process and acquire planning permission, that would not be a guarantee of quality, and we should not pretend that it would be.

Ultimately, the argument is about the extent to which members of the Committee believe there is an urgent need to build more homes in this country. I have touched on this before, but several issues have been raised in this debate on planning conditions and permitted development. The hon. Member for Bassetlaw was speaking on Second Reading on the duty to co-operate, but despite the Opposition's rhetoric, saying that they recognise the urgent need for more homes in this country, they oppose policies that help deliver those crucial homes.

Rather than re-run the argument of principle, I make one point on the wording of the new clause. When we came to clause 8, despite our differences on the principle of permitted development, there was agreement that it was a good clause because it would ensure that data were available not only to the Government but to all of us, to enable us to assess whether the policy was a good

[Gavin Barwell]

policy. The new clause would require a review of the policy before the Government could commence the provisions of the legislation—before we have the data we all agreed were crucial. The hon. Member for City of Durham was nodding gently as I made that point.

The Opposition may well want to press the new clause to a vote as a vote on the principle of permitted development, but its wording is not sensible as it would require that review to happen before we had the crucial data that we all agreed were needed to make a judgment on the policy.

Jim McMahon: I think the Minister has just made the argument for dismissing the driving test. Why not just let everyone get in a car, van or truck and take to the road? Some might crash and some might kill people, but it is fine, because some will not and there is no evidence base. That is a nonsense, of course. We all have examples of good-quality development and bad-quality development, and we can always use a single example to make a point, but the issue is that the controls are not in place.

The Government do not know the answer to the question, which is why we had the debate on putting measures in the Bill to enable us to understand the quantum of the developments, but it is beyond that now. If the argument was that the measure was about kick-starting development to get the economy going and put roofs over people's heads, because that is what was required at the time, and it was a short-term measure, then there can be a debate about that. There cannot, however, be a compromise on the long-term sustainability and viability of communities, and the affordability or quality of housing.

The measure goes against a lot of what we have been discussing, and it beggars belief that the Government seem happy to continue walking down this road with a blindfold on and no idea of what is in front of them. That is a dangerous way to draw up housing policy, and that is why a vote is important. If we get to a stage at which the Government have better wording, they should bring it forward, and we can have a debate about it. Provided that the wording resolved the issue, I am sure that my hon. Friend the Member for City of Durham would support it. However, it is important that the issue is tackled and that the Government show a sense of urgency.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 4, Noes 8.

Division No. 3]

AYES

Blackman-Woods, Dr Roberta	Huq, Dr Rupa
Cummins, Judith	McMahon, Jim

NOES

Barwell, Gavin	Philp, Chris
Doyle-Price, Jackie	Pow, Rebecca
Green, Chris	Tracey, Craig
Hollinrake, Kevin	Villiers, rh Mrs Theresa

Question accordingly negatived.

New Clause 15

ABILITY OF LOCAL AUTHORITIES TO SET PLANNING FEES

(1) A local authority may determine fees relating to planning applications in its area.

(2) Subsection (1) applies, but is not restricted to, fees relating to—

(a) permitted development applications, and

(b) discharge of planning conditions.—*(Jim McMahon.)*

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 4, Noes 8.

Division No. 4]

AYES

Blackman-Woods, Dr Roberta	Huq, Dr Rupa
Cummins, Judith	McMahon, Jim

NOES

Barwell, Gavin	Philp, Chris
Doyle-Price, Jackie	Pow, Rebecca
Green, Chris	Tracey, Craig
Hollinrake, Kevin	Villiers, rh Mrs Theresa

Question accordingly negatived.

New Clause 16

REVIEW OF LOCAL AUTHORITY DETERMINATION OF AMENDMENTS TO PLANNING APPROVALS

Within 12 months of this Act coming into force, the Secretary of State shall conduct a review into the process by which local authorities determine amendments to planning approvals and shall lay the report of the review before each House of Parliament.—*(Dr Blackman-Woods.)*

Brought up, and read the First time.

Dr Blackman-Woods: I beg to move, That the clause be read a Second time.

As the Minister is carrying out lots of reviews, I thought he might like to add another to his list and review the way in which local authorities are able to determine amendments to see whether he can give local planning departments a bit more flexibility in how they deal with amendments, and in particular what they consider to be material or non-material considerations. Does the Department have a view on allowing split decisions to be taken on planning applications? A local authority may say, for example, "We want to approve this application, but there is one bit that we do not like. We are going to approve the rest of the application, but we want this one bit to be changed." I am simply asking a question of the Minister. Further, does he have a view about local authorities being able to charge additional fees where an amendment means that they have to go out to public consultation again, or a lot of officer time has to be put into determining whether a particular amendment should stand?

Gavin Barwell: The Minister is not particularly welcoming of another statutory requirement to have another review, as the hon. Lady may have predicted, but perhaps I can get a better understanding of her concerns outside the Committee, reflect on those and come back to her.

Dr Blackman-Woods: I am happy to write to the Minister with some of the documentation from the Planning Officers Society, which is exercised about the issue. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Schedule 1

COUNTY COUNCILS' DEFAULT POWERS IN RELATION TO DEVELOPMENT PLAN DOCUMENTS

1 The Planning and Compulsory Purchase Act 2004 is amended as follows.

2 Schedule A1 (default powers exercisable by Mayor of London or combined authority) is amended in accordance with paragraphs 3 to 8.

3 In the heading for "or combined authority" substitute ", combined authority or county council".

4 After paragraph 7 insert—

"Default powers exercisable by county council

7A In this Schedule—

'upper-tier county council' means a county council for an area for which there is also a district council;

'lower-tier planning authority', in relation to an upper-tier county council, means a district council which is the local planning authority for an area within the area of the upper-tier county council.

7B If the Secretary of State—

(a) thinks that a lower-tier planning authority are failing or omitting to do anything it is necessary for them to do in connection with the preparation, revision or adoption of a development plan document, and

(b) invites the upper-tier county council to prepare or revise the document, the upper-tier county council may prepare or revise (as the case may be) the development plan document.

7C (1) This paragraph applies where a development plan document is prepared or revised by an upper-tier county council under paragraph 7B.

(2) The upper-tier county council must hold an independent examination.

(3) The upper-tier county council—

(a) must publish the recommendations and reasons of the person appointed to hold the examination, and

(b) may also give directions to the lower-tier planning authority in relation to publication of those recommendations and reasons.

(4) The upper-tier county council may—

(a) approve the document, or approve it subject to specified modifications, as a local development document, or

(b) direct the lower-tier planning authority to consider adopting the document by resolution of the authority as a local development document.

7D (1) Subsections (4) to (7C) of section 20 apply to an examination held under paragraph 7C(2)—

(a) with the reference to the local planning authority in subsection (7C) of that section being read as a reference to the upper-tier county council, and

(b) with the omission of subsections (5)(c), (7)(b)(ii) and (7B)(b).

(2) The upper-tier county council must give reasons for anything they do in pursuance of paragraph 7B or 7C(4).

(3) The lower-tier planning authority must reimburse the upper-tier county council—

(a) for any expenditure that the upper-tier county council incur in connection with anything which is done by them under paragraph 7B and which the lower-tier planning authority failed or omitted to do as mentioned in that paragraph;

(b) for any expenditure that the upper-tier county council incur in connection with anything which is done by them under paragraph 7C(2).

(4) In the case of a joint local development document or a joint development plan document, the upper-tier council may apportion liability for the expenditure on such basis as the council considers just between the authorities for whom the document has been prepared."

5 (1) Paragraph 8 is amended as follows.

(2) In sub-paragraph (1)—

(a) omit the "or" at the end of paragraph (a), and

(b) at the end of paragraph (b) insert ", or

(c) under paragraph 7B by an upper-tier county council."

(3) In sub-paragraph (2)(a)—

(a) for "or 6(4)(a)" substitute ", 6(4)(a) or 7C(4)(a)", and

(b) for "or the combined authority" substitute ", the combined authority or the upper-tier county council".

(4) In sub-paragraph (3)(a) for "or the combined authority" substitute ", the combined authority or the upper-tier county council".

(5) In sub-paragraph (5) for "or 6(4)(a)" substitute ", 6(4)(a) or 7C(4)(a)".

(6) In sub-paragraph (7)—

(a) in paragraph (b) for "or 6(4)(a)" substitute ", 6(4)(a) or 7C(4)(a)", and

(b) in the words following that paragraph for "or the combined authority" substitute ", the combined authority or the upper-tier county council".

6 In paragraph 9(8) for "or the combined authority" substitute ", the combined authority or the upper-tier county council".

7 In paragraph 12—

(a) for "or the combined authority" substitute ", the combined authority or the upper-tier county council", and

(b) for "or the authority" substitute ", the authority or the council".

8 In paragraph 13(1)—

(a) for "or a combined authority" substitute ", a combined authority or an upper-tier county council", and

(b) for "or the authority" substitute ", the authority or the council".

9 In section 17(8) (document a local development document only if adopted or approved) after paragraph (d) insert—

"(e) is approved by an upper-tier county council (as defined in that Schedule) under paragraph 7C of that Schedule."

10 In section 27A (default powers exercisable by Mayor of London or combined authority) in both places for "or combined authority" substitute ", combined authority or county council". —*(Gavin Barwell.)*

See the explanatory statement for NC5.

Brought up, read the First and Second time, and added to the Bill.

Question proposed, That the Chair do report the Bill, as amended, to the House.

Gavin Barwell: Mr McCabe, may I take a minute of the Committee's time to say thank you as we come to the end of our proceedings in Committee? I thank you and Mr Bone for the way in which you have chaired these proceedings, which I am sure all Members have appreciated. I also thank the officials, the Clerks who have assisted you, *Hansard* and the Doorkeepers for their support.

I thank all members of the Committee. We have had good debates to which nearly all Members have contributed fully. We on the Government Benches are grateful for the scrutiny of the Bill. I thank my officials for their work on the Bill and the Bill documents, which has been useful in scrutinising the legislation, and certainly for their support of me with their words of inspiration as I have tried to answer questions for members of the Committee.

Perhaps I could single out two people. I learned earlier today that this is the first time my right hon. Friend the Member for Chipping Barnet has sat on a Bill Committee as a Back-Bench Member. I hope that she has enjoyed the experience, and that the Whips are looking forward to putting her on many more such Committees. Finally, perhaps reflecting on whence I came, I thank our Whips. I have had to do their job for a number of years, and have had to sit through proceedings silently, unable to say anything. I think Members on both Front Benches are grateful for their support and help in getting through our proceedings.

Dr Blackman-Woods: Like the Minister, I thank you, Mr McCabe, and Mr Bone for chairing this Committee with good humour, which is much appreciated. I also thank the Clerks for their excellent service and their help in drafting and tabling amendments in the right order and, in particular, in the right place, so that we could debate them. I marvel at the Doorkeepers. I do not know how they manage to sit through our hours of deliberations with such good humour. They keep us safe and secure. I thank *Hansard* for turning around a great deal of material in such a short time. I also thank the organisations that gave detailed evidence to the Committee, and those who turned up to give oral evidence. I hope that they think we have done justice to the points they raised.

I thank my fellow shadow Minister for his input, and both our Whip and the Government Whip. The way in which our proceedings have been conducted is a tribute to the way they organised the business. Although they are not all in their place, I thank Opposition Committee members—and indeed Government Members—for their excellent speeches and, sometimes, passion, even though we sometimes disagreed. Finally, I thank the Minister for his responses, which were very helpful at times, and I thank his hard-working civil servants, who have had to put up with all our questions.

Question put and agreed to.

Bill, as amended, accordingly to be reported.

4.54 pm

Committee rose.

Written evidence reported to the House

NPB 08 Friends of the Earth

NPB 09 Historic England

NPB 10 Tony Burton CBE

NPB 11 Greater London Authority and Transport for London

NPB 12 Local Government Association