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Public Bill Committee

LEVELLING-UP AND REGENERATION BILL

Third Sitting

Thursday 23 June 2022

(Morning)

CONTENTS

Examination of witnesses.
Adjourned till this day at Two o'clock.

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,

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The Committee consisted of the following Members:

Chairs: MR PETER BONE, SIR MARK HENDRICK, † MRS SHERYLL MURRAY, IAN PAISLEY

† Andrew, Stuart (<i>Minister for Housing</i>)	† Norris, Alex (<i>Nottingham North</i>) (Lab/Co-op)
† Atherton, Sarah (<i>Wrexham</i>) (Con)	† O'Brien, Neil (<i>Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities</i>)
† Dines, Miss Sarah (<i>Derbyshire Dales</i>) (Con)	† Pennycook, Matthew (<i>Greenwich and Woolwich</i>) (Lab)
Farron, Tim (<i>Westmorland and Lonsdale</i>) (LD)	† Smith, Greg (<i>Buckingham</i>) (Con)
Fletcher, Colleen (<i>Coventry North East</i>) (Lab)	Vickers, Matt (<i>Stockton South</i>) (Con)
Gibson, Patricia (<i>North Ayrshire and Arran</i>) (SNP)	
† Henry, Darren (<i>Broxtowe</i>) (Con)	Bethan Harding, Adam Mellows-Facer, <i>Committee Clerks</i>
Kruger, Danny (<i>Devizes</i>) (Con)	
Lewell-Buck, Mrs Emma (<i>South Shields</i>) (Lab)	
† Maskell, Rachael (<i>York Central</i>) (Lab/Co-op)	
Moore, Robbie (<i>Keighley</i>) (Con)	
† Mortimer, Jill (<i>Hartlepool</i>) (Con)	† attended the Committee

Witnesses

Victoria Hills, Chief Executive, Royal Town Planning Institute

Tony Mulhall, Associate Director of the Land Professional Group, Royal Institute of Chartered Surveyors

David Jackson, Head of Planning, Savills

Jonathan Owen, Chief Executive, National Association of Local Councils

Tony Burton CBE, Convenor, Neighbourhood Planners London

Public Bill Committee

Thursday 23 June 2022

(Morning)

[MRS SHERYLL MURRAY *in the Chair*]

Levelling-up and Regeneration Bill

Examination of Witnesses

Victoria Hills, Tony Mulhall and David Jackson gave evidence.

11.30 am

The Chair: We will now take evidence from Victoria Hills, chief executive of the Royal Town Planning Institute; Tony Mulhall, associate director of the Land Professional Group and the Royal Institute of Chartered Surveyors; and David Jackson, head of planning at Savills. Before I call the first Member to ask a question, I remind Members that questions should be limited to matters within the scope of the Bill, and that we must stick to timings in the programme motion that the Committee has agreed. For this session, we have until 12.15 pm. Could I ask the witnesses to introduce themselves for the record, please, starting with Victoria Hills?

Victoria Hills: Good morning. I am the chief executive of the Royal Town Planning Institute.

David Jackson: Good morning. I am David Jackson, head of planning at Savills. I also lead our sustainability and environment service, which is called Savills Earth.

Tony Mulhall: Good morning. Tony Mulhall is my name. I am a chartered surveyor and town planner, and I am a senior specialist at RICS, with a particular focus on land matters.

The Chair: I now call the shadow Minister, Mr Pennycook, to start the questioning.

Q95 Matthew Pennycook (Greenwich and Woolwich) (Lab): Thank you, Mrs Murray, and thanks to those attending for taking the time to come and speak to us. Could I start with the potential impact of the Bill on the status and functioning of local planning? To what extent do you believe clauses 80 to 84 of the Bill, relating to development plans and national policy, and schedule 7 strike the right balance between the aim of streamlining local planning and the need to allow councils to tailor plans to local circumstances and encourage participation?

Victoria Hills: We think the intention to streamline local plans and take some of the bureaucracy out of them is something to be welcomed. We support that. At the moment, it is not clear to what extent the policies are going to be nationalised or not. We know the intention is there, but if you take an average local plan, we do not know—because we have not seen the detail yet—whether, for example, 10%, 50% or 80% of local policies will be effectively nationalised in this way.

In addition to the streamlining—as I say, we are not against the streamlining; if there is an opportunity to streamline, we support that—one of the areas of interest to us is the extent to which the community and, indeed,

both Houses of Parliament will be involved in any consultation on these policies, which are very important policies. If they are to be pulled out of the local plans and put into a national framework, we think it is really important that an element of consultation and engagement, both with the community and across both Houses, is included in that. That is not in the Bill as currently drafted, and we think it is important.

I cannot answer the question exactly, because we have not seen the detail as to what proportion of local policies are going to be nationalised. If it were to be a significant proportion, we would be making the case even more for local consultation, engagement, and involvement of both Houses.

David Jackson: I entirely support what Victoria has said. There are some significant prizes to be won if we can streamline the process: speeding up decision making, adding certainty for investors and communities alike, and, through that process, building the prosperity and the flourishing communities that the Levelling-up and Regeneration Bill anticipates. But it is in the nature of the planning system and the complex legislative framework that it sits within that there are also downside risks. Victoria has identified those in terms of perhaps less room for discussion and negotiation. I would also put in there the risk of reduced flexibility—we might come on to that under another topic.

The other downside risk I would identify is the inevitable disruption as we go through the transition from the old system to the new system. Indeed, we will see some examples of that, so I think there are some downside risks. Again, I agree with Victoria that we have not seen the detail yet to be specific about the nature of those downside risks in their totality.

Tony Mulhall: I would like to add to that. We take soundings from our members around the country quite regularly. The sense I get is that members would like to see settled national policy and standards incorporated into these national development management policies, so that the same issues do not keep arising and being reconsidered. It is administratively efficient to do it this way, but it is also in line with the levelling-up agenda, where agreed standards and policies should apply to all areas. Many of the issues that are arising to do with climate change apply across the country. It also avoids the criticism that high planning and development standards can only be had in high-value locations.

In that regard, I refer back to a piece of work that we did called “Placemaking and value”, where we looked at exemplar places in the south-east of England. The criticism that we got about that was that a lot of people in the north of England said, “That would not be possible here because we do not have those land values.” It is very important that when we set national development management policies, we recognise what it is we are doing. We are ensuring that the standards apply to all areas and that all areas get the benefit of these standards.

Q96 Matthew Pennycook: Can I ask about the NPPF? The review was announced in the White Paper in August 2020. The publication of the final version will not come until 2024, and therefore the revised version will be operational only at that point. Given the number of place makers in the Bill—you have already spoken about the lack of detail in certain areas—that relate to the NPPF, will that delay or have an impact on the

legislation? What more needs to be clarified in the Bill in terms of issues such as five-year land supply to ensure the legislation can operate effectively?

Victoria Hills: I think that any further delay to where we are currently—reminding ourselves that this process of the White Paper initially started back in 2020—is something to be avoided, because it creates uncertainty not only for those preparing local plans, but for those who want to bring forward proposals. We would urge that any changes, including the NPPF, come forward quickly—as soon as possible—to get shot of that uncertainty. It is really important. We have seen the slowdown of local plans already. You will be aware that only somewhere in the region of 60% of local authorities have an up-to-date local plan. There are some really important aspects in the NPPF that we think need to be improved, not least adding in the climate change legal requirement and putting a greater emphasis on that. We would like to see that expedited, and I think that any further delay is not going to be helpful.

Q97 Matthew Pennycook: Tony or David, do you want to briefly add to that?

David Jackson: Very briefly, I think that is absolutely right. The Government are now referring to this as a prospectus of changes, multi-level—[*Inaudible.*] I think in those circumstances, we risk delay. Each component is a crucial part of the overall system. I referred earlier to the complex legislative framework within which planning sits, and it all comes together as a unified process. Any missing component or uncertainty risks being a drag anchor, if I can use that phrase, on the whole system, so we want to see these issues addressed as urgently as possible. Again, we are seeing local planning authorities withdrawing their local plans because of this uncertainty. Given the costs of preparing them, authorities do not particularly want to have to do the process twice. Equally, given the costs that our clients are putting into the local planning process and their commitment to it, any delay is hugely unhelpful.

Tony Mulhall: I would like to add to that. I am particularly watching this in relation to the infrastructure levy, the implementation of which seems to be quite a long way down the line. The delivery of effective infrastructure is such a critical part of the system, so it would be useful to have a clear picture of the timeframe for implementation, given that there is quite a lengthy testing period associated with that as well.

Q98 Matthew Pennycook: Tony, you mentioned the infrastructure levy, and I would like to move on to that aspect of the Bill. Again, there is a noticeable lack of detail on the face of the Bill about how the Government arrived at a considered judgment about how the levy will work, but how do you think it might operate in practice? I put it to you that there is the potential for local authorities to set multiple rates and thresholds—probably by means of a cumbersome examination process—and many of the issues around viability already exist.

It strikes me that the levy is not that dissimilar to the current set-up of the community infrastructure levy. Do you think that is fair? If not, what advantage, if any, do you think the levy will provide over the current system? How do you see it operating in practice on complex brownfield sites? Given the ability to vary rates—in the

sense that the Government are proposing a new metric for end-use value, not a new flat rate—what will that do for levelling up? Will local authorities in areas with low land value not just set low levy rates that do not afford much public gain?

Tony Mulhall: Yes, that is a concern we have expressed all along. For the last three or four years, we have expressed the view that a concept of land value capture as a way of funding your infrastructure is not adequate in itself. There are lots of areas where there will not be value to be captured, and we would like to see where the funding is for essential pieces of infrastructure.

One of the interesting aspects of the Bill is that the Secretary of State can intervene if they feel that the levy was set too high and will impact on viability. I think something like that should be directly connected to the alternative infrastructure source for that particular area. The funding for the infrastructure needs to be pointed out by the Secretary of State if they decide to reduce the levy. Quite a lot of small areas of the construction and design of the levy really need to be resolved fully. I know there is a consultation coming, but those details will be very important.

One of the main objectives is to capture additional land value, but also to avoid the contentious area of viability being contested at so many different stages in the process. We are very happy to help the Department to devise a system that will be easy to apply. Being easy to apply means that the metrics being used are easily discoverable and not contentious. That is a fundamental part of an efficiently operating taxation system, which is how this is described. What we are dealing with here is not an assessment of viability for planning purposes; these are valuations for taxation purposes.

You asked about two other issues—one was complex brownfield sites. It is quite understandable that the Government would look for a measure to deal with this subject, and I think something like the section 106 agreements will be the natural fall-back position here. Officials often say that it is amazing how derided these measures are until you try to remove them, but there is a logical reason for using a section 106 agreement on complex sites because the developer is in the best position to phase and programme the necessary infrastructure. The question then will be how this is to be set off against the liabilities that would have accrued under the infrastructure levy. Varying the rate is an important aspect as well, and I think it should be retained.

This is quite a complex proposal, and it sounds as if it is intended to be rolled out in phases, to make sure that lessons are learned in operation, as they had to be for the CIL measures. The real question is: will this be the replacement of one complex system by another complex system that we will have to learn and run simultaneously, because there will be a transition period? There is quite a lot to be resolved with regard to the infrastructure levy and we are quite happy to contribute to resolving it, to make it work better.

Q99 Matthew Pennycook: I think that is an understatement, Tony, but your response is very useful. Do you have anything to add to that, David?

The Chair: David, could I ask you to face the microphone please? The sound quality in your last answer was not good, and if you face the microphone, Members may be able to hear your evidence better. Thank you.

David Jackson: I beg your pardon. I think what Tony has said is correct. There is uncertainty around this new system. Fundamentally, it is one tax being replaced by another form of tax. The benefit of the new system is that it is charged on development value. That is a clearer metric than the rather complex viability assessments that led the CIL process, which was front-loaded in that respect and did not take account of changing market conditions, whether up or down. Clearly, there is a benefit in that simplification of the process based on value.

It is welcome that there is flexibility or variability in the system to take account of different circumstances. Complex brownfield sites are clearly very different from greenfield sites, as the question rightly identifies. The most important thing is that new development, new growth and new investment is facilitated rather than obstructed by the system, because none of those good things can come unless development and growth is facilitated. That is beneficial, whether it is by way of taxation, the CIL, the new infrastructure levy or, indeed, the investment that is brought forward through section 106. We started off with some uncertainty around the future of section 106, and one of the most welcome aspects of the legislation is that section 106 is being retained. It gives both developers and the community certainty about when that new infrastructure—whether it be social, physical or other infrastructure—is to be provided.

One area where there is less certainty, so far as we can see at the moment, is where the infrastructure levy is going to be spent. Previously, under the CIL system, we had regulation 123, which set out local authority priorities for investment and how money should be spent. The emphasis in discussions to date has been on affordable housing, but is this investment going to be directed towards other locally set measures? I think there needs to be transparency in relation to that.

Finally, I agree with Tony's point about the need for road testing. This is complex new regulation. It needs to be road tested by way of pilot schemes before we invite local authorities across the country to invest resources into this complex process.

The Chair: We are now 20 minutes into this evidence session. In the interests of time, I will call the Minister. If there is any time left at the end, I will come back to you, Mr Pennycook.

Q100 The Minister for Housing (Stuart Andrew): My first question is straightforward: what practical changes do you think the Bill will make to the people you represent?

Victoria Hills: I represent 27,000 members. Practically, and on a strategic level, we welcomed the Bill, because we welcome the recognition that, rather than having a planning Bill, planning is integral to levelling up and regeneration. That is why we warmly welcomed the Bill: it has elevated the status of planning from being some regulatory thing over there to being fundamentally essential to delivering levelling up. Indeed, we say it is the lead domino; if you get the planning system right, you have the framework and the foundations to deliver regeneration.

That is our starting point. Within that, we have to have a broader conversation—perhaps not today—about how we ensure that local authorities in particular are resourced for the changes. We look forward to the forthcoming consultation on the fees to help to fund

some of the additional work. Practically, it will mean that our members are going to be extremely busy—first, with responding to all the consultations, and secondly, moving forward with implementing the new system. There is an urgent need to address the resourcing, as I have highlighted, because local authorities are somewhat struggling at the moment anyway to deliver business as usual.

Some of this will be a bit business as unusual. We have heard that the CIL is potentially a major change. Changing local plans and updating them will take time and resources. It will be a busy period for the members I represent. That said, although we welcome the recognition that planning is integral to levelling up, we do need to have an open and honest conversation with you about how we now move forward quickly to resource local authorities to enable the changes. I hope that answers the question.

David Jackson: Likewise, given the high profile that has been given to the levelling-up agenda, it is very welcome that planning is so closely associated with such an important part of the Government's programme. We very much welcome that.

For the people I represent, it is difficult to define exactly what the changes will mean, because they are multifaceted. For people I work directly with, there is a lot to get through and understand about the changes, but we are planning professionals and that is what we direct ourselves towards. That is part of our responsibility. For our clients, there is an expectation of a transition period, and that is a process to be navigated through. We are there to help them through that process. I repeat what I said earlier about the importance of trying to get through that phase as quickly as possible so that we can move on to obtaining the key objectives of building prosperity and creating flourishing communities.

On flourishing communities, in the work that we do as planning professionals we become very much associated with and embedded in communities for the period of a project. It is really important that that process of local engagement and projects being opened to the public scrutiny that leads to improvement—[Inaudible.]

The Chair: David, you are looking away from the microphone again and we missed what you said.

David Jackson: Sorry. Public scrutiny is necessary to improve projects and win public trust.

Tony Mulhall: Chartered surveyors provide their services largely at the level of strategic land preparation and development delivery, so they are acutely aware of the increasing risk associated with development projects proceeding. Planning comes with certain risks—in other words, getting a project through the planning system—so it is very important that we have a system that works well in process terms.

From a development point of view, planning is one of the factors. We have huge pressure on costs at the moment. I have here a document that I have just received from the Building Cost Information Service that says that the materials cost index has continued to grow, with annual growth in excess of 20%, and figures say that the cost of complying with the building regulations is around 6%. Those are cumulative risks, and the planning system is just one of those. It is a very important one, and getting it right is very important, but in a

development context the danger is that investors will defer making decisions on taking projects forward until they have greater certainty about the regulatory environment they are heading into and that that regulatory environment can be priced, in a sense—what is it going to cost to get through the regulatory environment?

We need to take account of that, and not just in relation to large house builders. They are capitalised very well, but a lot of small and medium-sized enterprises find it extremely difficult to engage with the planning system at a level they can afford. That impacts on borrowing: you cannot engage a lender if you have what I would describe as planning risk associated with your side. These are the realities that our members face in advising their clients.

Q101 Stuart Andrew: Thank you. One of the complaints that I hear quite a lot, not just from my own constituents but from people throughout the country, is that people feel planning is something that happens to them, and we know that public engagement with the planning system is incredibly low. Do you think the measures in the Bill—the neighbourhood planning, the priority statements and the digitisation of the whole system—will help to improve community engagement? Do you think that, in turn, it will help to enlist more support for development within communities?

Victoria Hills: We welcome all those aspects, and particularly the investment in digital transformation and a bit more structure around what that looks like for local authorities so that they can make the investments in digital that are required. We also absolutely welcome neighbourhood planning, and also, potentially, street votes and all that comes with that.

Something equally important that we are strongly advocating for is that virtual planning committees can continue in the way they did during the pandemic. We are seeking an amendment to the Bill for that purpose, because we think it provided an additional aspect to the ways in which communities could be genuinely engaged, particularly for those people who cannot get to committee meetings in the evenings because of their own commitments.

We welcome all the aspects that have been included in the Bill to broaden engagement. Our top two omissions are the one that I started with—involving the community in the national policies—and enabling them to join in via a virtual committee.

Tony Mulhall: This is a really important point. Our experience, and what we get reported back, is that the community does not tend to engage with the plan-making process—people need to get a development on the corner of their street before they become exercised—so it is very important for us to understand what is a meaningful way to get feedback from the community about what it is that they do not like and what is top of their list of what they want.

I am not sure that the plans that we put through have the legitimacy we might expect from real engagement with people, because I think they do not fully understand what the plan is saying. We have seen the kind of developments in neighbourhood planning that were really good but probably did not get to the people who need to participate to improve their local communities. There is an interesting measure in the Bill to facilitate that. I would say that we really need to rethink what

meaningful participation in plan making is about, because people are coming away from the production of a plan without much knowledge of what is going to turn up in their neighbourhood.

David Jackson: I agree with that point. What we need is engagement at all levels of the plan-making process, from the SDS—spatial development strategy, the new strategic level of plan making—all the way through. It is down to the profession to go out and do that. That is where the parallel development of the levelling-up agenda, putting planning alongside that as the key delivery mechanism, has some advantages, because it demonstrates exactly the role that planning has in facilitating the benefits that we want to see for those communities. My slight concern is in what I might call the hyper-local, because that allows people to focus just on their immediate areas, but as I say, what we want is a focus across the plan-making portfolio, so that people have that aspiration.

One example of the risk of the hyper-local is footnote 54 in the NPPF, which requires onshore wind turbines to be supported by the local community that is most affected. While onshore wind has overall high levels of public support, a massive drop-off in the delivery of onshore wind has been the result of that particular control. It does not take us away from the need to engage with communities at the local level to win their support, but it does create difficulties—challenges—in that hyper-local environment.

Q102 Stuart Andrew: My final question returns to the community infrastructure levy. We have said that we want to take a test-and-learn approach, trialling it with a number of authorities, so I welcome the fact that you want to engage in that process. Do you agree that planning authorities often spend a considerable amount of time in negotiation on CIL or section 106, and often find the negotiations going downwards in terms of investment for the local community? That further erodes trust in the process in respect of what will be delivered on the ground for communities. Will this legislation help to free up the time of some of the planners to do some of the more important strategic stuff? I will go to David first.

David Jackson: On replacing CIL with the infrastructure levy, the simplification of the infrastructure levy based on value is certainly advantageous. In our experience, we were very engaged in the preparation of CIL on behalf of the Home Builders Federation. We engaged with many local authorities on that basis, and it was indeed a very complex process, looking at viability and trying to project that over a period of time and for a range of development scenarios. That simplification is welcome.

I take a slightly different view on section 106. It goes without saying that where section 106 is engaged, we are dealing in large part with complex, difficult, challenging projects. We have to ensure that local communities have trust in the process and that it will deliver the outcomes they expect to see. Inevitably, there is an element of commercial negotiation, because viability can often be engaged where we have multiple demands on investment in a local community, so it is right that we go through that complex process. I think CIL helps in terms of taking—[Inaudible.] The complexity of section 106 is merely a reflection of the complexity of the projects we are dealing with and the wish on both sides—both the

community and the developer—to ensure that the infrastructure that is required to make the project work is actually delivered.

Victoria Hills: We have been very clear that anything that comes in needs to not overcomplicate an already quite complicated system. As proposed, the infrastructure levies will all go through PINS—the Planning Inspectorate—which we think will add more delay and cost to the system. We are advocating for the new infrastructure levies to get directly agreed by local authorities with the Secretary of State or the Department, to take out some of what I think you are alluding to—the horse trading, the negotiation and all the rest of it. Then, there is one discussion between the directly elected authority and the Department, and that gets agreed. You can take months and significant cost out of the whole system by not running it through PINS.

Another important point, which I could not make earlier, is that it is really important to understand how, in simplifying the system, the new infrastructure levy will sit alongside other statutory requirements—not least biodiversity net gain and affordable housing—and how, in simplifying it, it will balance out those quite complex aspects. The requirement for affordable housing has always been the case, but biodiversity net gain was not a thing before.

At the moment, until we see the detail, we are not convinced that it will all be simplified. There are some important complexities to take on board.

Q103 Rachael Maskell (York Central) (Lab/Co-op): In the light of the Government's proposals and commitment to building 300,000 homes by 2025 and real revision of the planning process, do the witnesses believe that is deliverable? Do they believe we will see homes that are predominantly assets, investments, second homes and Airbnbs?

Victoria Hills: We have always been very clear that the way to deliver great places and great communities is through a robust local plan and framework where the local authority has the opportunity to set out their priorities, which could include some of the aspects you referred to. The elevation of the importance of the local plan in all this is welcome. The detail, which we do not yet have, is on to what extent local authorities will be able to carry on delivering priorities through policy, and to what extent they will get pulled out into the national framework.

We support the principle of the local plan being elevated. We recognise that it is the only way you can move ahead with delivering on agendas including net zero, affordable housing and well-designed, healthy homes. If you are going to have policies against second homes, that may well be something to prioritise in your local plan, or in national guidance—the detail is yet to be seen on that.

Whether or not it meets the housing numbers is still an area for debate. The Government are on the record saying that is very much the plan in action. We will be advocating for local authorities to be well resourced, without delay to the national framework, to enable them to get on with the business of producing local plans as quickly as possible, in order to provide certainty

for local communities and the development sector, so that it can get on and start planning and then building. It really just relates to the earlier theme of resourcing.

However, there also needs to be no further delay. There is an urgent need to deliver more homes, as we know. The housing waiting list continues to rise, and more and more people are still desperate to have a place of their own. The need continues to grow, so it is important that we move forward quickly on any regulatory reform and that we move forward with a resourcing package—which surely must include bringing up the planning fees as well, to help to move those things forward as quickly as possible.

Tony Mulhall: I totally agree with Victoria's point about the importance of having up-to-date local plans, and the important aspect in the Bill of being able to combine local authorities so that they better match their functional urban region or their socioeconomic hinterland. That is important because we are spending a lot of time and money squeezing the carbon out of our buildings, but there will not be much point in doing that if we have to drive miles to get to our jobs and schools. It is critical that we have a proper planning system linked with the standards of quality construction that will achieve climate change.

On the point as to whether the measures in the Bill will deliver the target of 300,000 houses per annum, the feedback that I get from our members is “No.”

Q104 Rachael Maskell: Could you expand on that?

Tony Mulhall: There are many other factors besides planning that have an impact on the delivery of housing. The market has typically provided a certain level of housing delivery. It has fallen to housing associations and Government to supply what is actually needed. There is a big danger here—we raised this during Sir Oliver Letwin's review—that if you allow house prices to increase to a certain level, there is nobody who is in favour of them falling. Everybody is invested in them staying at that level. If we continue to have a shortage of supply, which is resulting in price rises, then that is what is pulling up land values. It is the price of the house that is pulling up the value of the land, not the value of the land pushing up the house price.

Those are very important things to understand, because once a certain price level is arrived at in the housing market, nobody is in favour of that falling. Every metric that we are relying on extols the increasing value of property. We need to be very careful about what our expectations are with the affordability of housing if we allow there to be a very tight supply, like there is at the moment. The lending industry is not going to welcome a managed reduction in values. Those are really big issues that are outside of the planning Bill, but are crucial to the delivery of housing.

Q105 Rachael Maskell: Thank you for that answer. Could I ask Mr Jackson and then Ms Hills, is there anything that you think is missing from the Bill that would address housing inequality?

David Jackson: I will just comment quickly on the target of 300,000 and then come to your question. The 300,000 target is correct; we are in the midst of a housing crisis, so it is right to set that as a national ambition. If we look at vacancy rates for residential

property across the country, they are typically very low—between 1% and 2%. That ties in well with what the levelling-up agenda is trying to achieve. If we are seeking to create a stronger economy, then the availability of homes near to the jobs that we are creating is an essential component part of that. Tony was talking about creating sustainable relationships between jobs and homes. We have to boost the delivery of homes, but they have to be related to the availability of jobs and the growth in the economy. As Victoria was saying, the fundamental requirement of the local planning process is to get those balances right and to put in any checks that need to be in place to control the downsides of that—be those downsides secondary homes or whatever else.

Rachael Maskell: In view of the time, can I just move quickly over to Ms Hills—[*Interruption.*]

The Chair: Order. I am afraid that brings us to the end of the allotted time for the Committee to ask questions. May I thank the witnesses on behalf of the Committee for their evidence? We now move on to the next panel.

Examination of Witnesses

Jonathan Owen and Tony Burton CBE gave evidence.

12.15 pm

The Chair: We will now hear evidence from Jonathan Owen, chief executive of the National Association of Local Councils, and Tony Burton CBE, convenor of Neighbourhood Planners London. They are both appearing via Zoom. Gentlemen, may I please you ask to introduce yourselves?

Jonathan Owen: Good afternoon. I am Jonathan Owen. I am the chief executive of the National Association of Local Councils, which works closely with 43 county associations to support and promote the interests of 10,000 parish and town councils across England that are keen to help with levelling up and address many of the missions that are set out to support the Bill.

Tony Burton: Hello. I am Tony Burton. I am one of the convenors of Neighbourhood Planners London. We are a volunteer-run network, which supports neighbourhood planners in the capital and raises the profile of neighbourhood planning. I can also bring some personal insight, as a neighbourhood planning examiner.

The Chair: We have until 1 o'clock and this time I turn to the Minister first.

Q106 Stuart Andrew: Thank you, Mrs Murray, and I thank the witnesses for their attendance this morning.

In the previous evidence session, we heard that people often describe planning as something that happens to them. Do you think that the measures in the Bill will increase community engagement in all aspects of the planning process, particularly the development of local plans and other individual planning applications? Do you think that some of the measures, such as the introduction of the neighbourhood priority statements, will help to increase the number of neighbourhood planning groups that might be spread in areas that have been difficult to reach so far?

Tony Burton: Generally, we think the Bill is helpful for communities who want to have more of a say on planning issues. There are one or two headlines. The most pre-emptive one is that the Bill confirms the statutory role for neighbourhood planning, given the uncertainty since the publication of a White Paper that said relatively little about it and that brought forward some proposals that would have shut out community input, such as those at the planning application stage.

The specific measures around neighbourhood planning, and I appreciate that your question goes wider than that, are relatively limited. The adjustments to the basic conditions and the broad definition that has been provided, which is helpful, will not have a significant impact on take-up. They will help to clarify some elements of process. And neighbourhood planning will be caught up in the same changes as local plans, when it comes to the primacy of the development plan and the centralisation of the development of management policies. Again, they need to play out, but much of that is welcome, because it attaches additional weight to the document, and to the time and effort that volunteers invest.

The neighbourhood priority statements are triggering some interest among the groups we work with, but they are also raising a significant number of questions. In our view, if the aim is to support greater take-up, particularly in urban areas, which I know the Minister is keen to see, then more needs to be done. They need to be seen as something that is additional to and complementary to neighbourhood planning, not a replacement for it.

The legislation is quite weak in the weight that needs to be attached to it by local authorities; the “have regard” requirement is weak. We have a decade of experience in London of boroughs not really taking that much notice even of neighbourhood plans, which are statutory documents, so we would like to see a stronger weight attached.

It needs to be confirmed in the legislation, not just elsewhere, that it is about more than informing local plans. We understand that that is the Government's intention, but the current drafting of the Bill is quite restrictive. We think that it would be really sensible if the Government supported communities to pilot and to try to make all priority statements before the legislation is finalised, so that we get a real sense of what they could achieve.

The disappointment is that the local planning provisions are not more extensive, to encourage wider community involvement. We are about to publish our “The State of Neighbourhood Planning in London” report this evening, and it shows that progress in engaging communities is still being hampered by obstructive local authorities in many cases. Therefore, we believe that if the Bill is to effectively engage communities in leading development, as opposed to responding to it—doing planning, as opposed to having it done to them—it really needs to strengthen the legal duty on local authorities to support neighbourhood planning. It needs to give neighbourhood forums the same powers as parish and town councils in receiving and spending the neighbourhood element of the community infrastructure levy. At a stroke, that is the single most important thing that the Government could do to encourage local planning in cities. The Bill also needs to set time limits on local authorities making decisions on key stages.

The final point we would make is that the Bill itself will not be enough, and that there will need to be support for communities to engage and involve themselves. We would put particular attention on the role of the neighbourhood planning support programme, which is probably the single most important measure available to accelerate community involvement in planning decisions. It could be significantly improved and increased.

Jonathan Owen: I am sure it will not surprise any of you to hear that probably the No. 1 issue affecting 10,000 parish and town councils and 100,000 councillors is planning. That is top of their agenda, and I think it would be fair to say that we need to look at every way we can to make sure that the public are more effectively engaged with the system. We are pleased with the emphasis on a plan-based system—that is right—and public engagement in that planning is absolutely vital.

The main area of interest for us is neighbourhood planning, and parish and town councils have really been in the driving seat of producing those plans. I think there have been about 3,000 so far, with about 90% done by parish and town councils. They have had amazing referenda, with something like a million people voting in them over the last few years. I think they cover an area of about 10 million people. That is a really good way in which the public can engage with the planning system, but there are thousands and thousands of other communities that are being left behind and that do not have neighbourhood plans by parish and town councils or neighbourhood forums.

Some of the feedback that we had from our 10,000 parish councils was that they were concerned that it will be costly and time consuming, and that the neighbourhood plans will be overlooked and not taken seriously by principal authorities. A lot of the measures in the Bill will help address those issues, which should help with promoting neighbourhood planning.

This must not stop with the Bill. If you are going to reach the other 7,000 or 8,000 communities, we need to make sure that we are promoting neighbourhood planning and its benefits, and that we are investing in helping those communities to do that work. I would encourage you to continue with the grants that are available, and perhaps to make them easier to access. We have had a good start to neighbourhood planning, and I am really pleased that you are committed to continuing with it and making it more effective. We will work with you to try to make that happen.

There are a couple of bits of other feedback around the infrastructure levy. Again, that is to be supported, but there is a risk that because the percentage is the same regardless of whether you have a neighbourhood plan or not, there might be a slight disincentive to produce a neighbourhood plan. As you know, there is a boost to the share of the community infrastructure levy if you have a neighbourhood plan. It would be good if you could consider how best to address that point, so that people are incentivised to have neighbourhood plans and to engage effectively with the public.

On the specific matter of the mini neighbourhood plan, I think that is fine but, again, we need to make sure that doesn't limit communities' ambitions to go further and to have neighbourhood plans. We probably need to balance that territory.

I have been amazed by the innovation of many neighbourhood plans and the things they are now trying to address, including climate change, health and wellbeing, such as dementia-friendly aspects, and a vast range of other things. Clearly, we must not lose that innovation. We must use this Bill to drive forward neighbourhood planning and get more people involved with it, and I think that would be a good thing.

Q107 Stuart Andrew: Thank you. In the spirit of wanting to encourage more people to get involved in the development of local plans, we have certainly heard from communities that it is a very complex process. If you are a parish or town council, there may be some resource you can lean on, but in areas that are not covered by town or parish councils such work is reliant on volunteers. Do you think the digitalisation of the process will life a lot easier? Will that encourage more people to take up the mantle of developing a neighbourhood plan for their community?

Jonathan Owen: I think one thing we have learned over the last couple years is that people are getting more and more used to digital engagement and using such systems, so that probably will be the case. Obviously, you will need to review and monitor it, but I think it is certainly something that is worth developing further.

Many of our parish and town councils are already using digital processes when considering planning applications for principal authorities, so I think that could well make a difference. There might be some capital investment required to ensure that even remote communities in the middle of rural Suffolk, where I live, can access the material online without being excluded.

Tony Burton: Our experience is that digital is part of the answer. In relation to local and neighbourhood plans, we would point to the opportunities it presents around new, complementary forms of community engagement—there are now a variety of tools available to support that—and more effective ways of pooling and analysing the evidence that is required, which is often a minefield of PDFs that do not link to each other or help people to navigate the system or get to the nub of the issues.

There is a potential—this is something we have been pressing for—for the neighbourhood planning support programme to provide bespoke support around this and to offer provision for particular elements, such as centralised tools or databases. Also, we would emphasise more digital mapping. Almost by definition, planning is about maps and places—it is spatial—and yet the ways in which we bring everything together on a map are still rather clunky and not all that effective. The best of what is out there shows what can be done, and the best should be the norm.

I would emphasise that digital is only part of a solution. It is no panacea and nothing is more important than the peer-to-peer, face-to-face support that communities need to support them to be their best when it comes to engaging with these processes.

The Chair: I am afraid that this will have to be the last question from the Ministers before I move to the Opposition spokesman. Minister O'Brien, I believe you have a question.

Q108 The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Neil O'Brien):

Thank you, Mrs Murray. The Bill comes at a time when various processes to look at the reform of neighbourhood governance are still under way, but it still contains a number of important changes, be it the strengthening of neighbourhood plans or the changes to the infrastructure levy, with potentially larger sums for neighbourhood communities. There are also things such as street votes and high street rental auctions, which might give community groups, and indeed parish councils and the like, a chance to get on to the high street and increase their visibility. Reflecting as practitioners of neighbourhood governance, what is your advice on how best we can put into practice the different measures in the Bill so that they best channel the energies and pick up the concerns of neighbourhoods and local communities?

Jonathan Owen: We are really keen to see the detail on some of the other aspects of the neighbourhood governance review. The White Paper held out for us real promise to ensure that the opportunities of devolution and levelling up were really seized, so I hope you will not mind if start off by encouraging you to consider how you can build aspects of that wider review into the Bill. We are particularly keen to see the review conducted within quite a reasonable timescale, to be involved in the process and to make sure that any proposals that come out of it are enacted. We would quite like to see some sort of placeholder clause put in for street votes, to say that the neighbourhood governance review will be completed within a certain time and the agreed proposals enacted. I do not know whether that is possible, but I really do think you might miss an opportunity if you do not engage fully in that review and implement some of its actions.

The key things for us are about making it easier to set up parish and town councils. At the moment, about two thirds of the country has a parish, but only about a third of the population, which means that two thirds of the population are missing out on having the first tier of local government supporting community empowerment and helping them address the big challenges that we face. Many of you will be aware of the research done by Onward. Its social fabric index showed that places with parish councils tended to have a stronger community identity and so forth. I think there are some real opportunities that need to be picked up either as part of the Bill or as part of that wider neighbourhood governance review.

The other big area for us is funding of the sector. At the moment, our councils are not necessarily able to access some funding streams, such as the community ownership fund and other things. It would be good to look at making it possible for them to access that funding. An interesting example of that was how, through the covid pandemic, a lot of our 10,000 councils stepped up really early, as you will be aware, to set up volunteering arrangements and support local communities. Many of them did really great things, but many of them lost out from lost income. You were able to compensate the principal authorities but unable to compensate parish councils that had lost out. To be honest, principal authorities were reluctant to devolve much of the funding they received down to our level.

I think you should consider using the Bill to put in place a mechanism whereby you would be able to fund local councils directly. That could be really helpful to

this Government and probably to future Governments when another big problem happens, such as the pandemic, so that you would be able to reach down to communities throughout the country and provide some financial support or lifeline as necessary.

On the street votes, we will be interested to see the detail on that and, again, picking up on my other point on neighbourhood planning, we just need to make sure that that complements and does not replace the wider neighbourhood planning role.

Finally, returning to the last question on digitalisation, the holding of remote meetings has been really useful in the last couple of years. We have seen evidence that lots of members of the public have attended parish and town council meetings because they are able just to attend for the one item that interests them, which is often a planning matter. Enabling councils to meet remotely and have engagement remotely from residents would be really good.

Tony Burton: I think it is a really helpful question to be asking at this stage. There is experience from similar questions that came through on the Localism Act 2011, from which some of the existing community rights measures stemmed. If we look back over those 10 years, we see that some have been successful and some have disappeared, frankly—they might be on the statute book but no one is using the power they provide. The things that worked are those that responded to what people want—there may be lessons here for the provisions you cited and others in the Bill. They were a response to what our communities were asking for, as opposed to us saying, “We’ve got a good idea. Please will you use it.” Some came with support and help, which allowed communities to really understand how to navigate and use the process and talk to others that are maybe slightly further ahead of them in the process. Some in a sense held the ring on some of the bigger questions.

That is why neighbourhood planning is so good. It is such a flexible and strategic tool, as well as being locally specific. You can make it a single policy about a single issue if you want, or you can make it a mini local plan that covers the bases. It is up to the community to drive that process.

I would also encourage you to anticipate where there will be blockages in the application of whatever powers or rights are being established. With neighbourhood planning we have had to retrofit a lot of those, and it has not been that helpful. There have been things such as the timetables for local authorities to make decisions and some of the powers to appeal to the Secretary of State. It is actually worth stress testing these against the worst cases within which they are trying to be applied as well as thinking that we are always going to be operating in a benevolent environment.

Neil O'Brien: Thank you. That was very helpful.

The Chair: I call the shadow Minister.

Q109 Matthew Pennycook: Thank you, Mrs Murray, and I thank both witnesses for attending. I would ideally like to get through four questions, so I would appreciate it if you could trim your answers to help me do that. The first question relates to national development management plans. Do you take issue with them on

principle, on the grounds that they undermine the primacy of local and neighbourhood plans? If not, do you think their use should be circumscribed? If so, how tightly?

Jonathan Owen: As I said, we are strongly supportive of a plan-led system, and we are concerned that those national development management policies might well take primacy over neighbourhood plans and cause difficulties. We would like to see the Bill amended so that they do not have primacy over those other local deals. I also think there should be consideration to make sure that if those national policies are changed, it does not require an immediate updating of a neighbourhood or local plan. I think there is a risk that we will have waves of new national plans that will then set aside some of the local policies.

Tony Burton: I agree with that. [*Inaudible.*] There is merit in setting out at a national level those policies that are appropriate to be expressed at a national level: policies that are universally applicable and set the framework within which other things happen. We see completely unnecessary repetition, rewording, obfuscation and a lack of clarity when they are carried forward through development plans and some neighbourhood plans.

The risk is that national policies stray too far into matters that are much better decided at the local or neighbourhood level. There will always be a very strong temptation for Whitehall to overstep the mark, as history shows. We think that there need to be clear measures that prescribe and limit the national development management policies to those things for which they are appropriate and which do not fetter the nuance and local understanding that is brought at local and neighbourhood level.

Q110 Matthew Pennycook: Thank you. I am sure you both know that, unlike national policy statements, the Bill proposes no parliamentary approval process for NDMPs and stipulates that the requirement to consult is entirely at the discretion of the Secretary of State. Can I take it that you both agree there should be a greater degree of consultation and parliamentary oversight of these plans?

Tony Burton: Yes, indeed. We don't necessarily think that they are sufficient on the NPSs or indeed the national planning policy framework, so it is not just about equivalence. That could all be significantly improved to a much more citizen and community-led insight into how these policies are being drawn up.

Jonathan Owen: As for the first tier of local government, I think that the more engagement and consultation, the better. So yes, I think that is something that should be looked at.

Q111 Matthew Pennycook: I have a very specific question relating to clause 83, which states that planning determination must be made

“in accordance with the development plan and any national development management policies, unless material considerations strongly indicate otherwise.”

Is that language sufficiently clear to be easily understood by councils?

Tony Burton: May I digress briefly? This is a personal question, because over 30 years ago, in a different campaigning role, I was responsible for drafting all the amendments to what became the Planning and

Compensation Act 1991, which includes the provisions that clause 83 now seeks to change. At that time, we went through about a dozen variations of how to express on the face of the Bill what we were seeking to achieve. Sir George Young was the Minister responsible and was seeking a plan-led system. We even tried “strongly” at the time and, if my memory serves me right, it was rejected by Parliament's legal experts. So although the language is clunky—it is legalistic—it has a 30-year track record. The insertion of a single word is a helpful expression of a more plan-led approach. It might be more helpful to go down that route than it would be to develop an entirely different set of wording, which would then trigger a whole new set of case law having to be established. In terms of the pragmatic achievement of what we are trying to do here—to strengthen a plan-led approach—the pragmatic approach, as suggested in the Bill, is reasonable.

Jonathan Owen: I agree with Tony. Adding “strongly” is helpful.

Q112 Matthew Pennycook: The Bill introduces two new development plan documents: spatial development strategies and supplementary plans. However, it provides only for extremely limited opportunities for the public to participate in producing them. Should the Bill be amended to ensure that members of the public can be involved in every aspect of development plan formulation? If so, what might that look like?

Tony Burton: Again, it is the same point that we have made throughout. You cannot, on the one hand, have a Bill that has written through it political rhetoric about communities having more insight and influence, being less done to, and strengthening the role in local planning, but on the other hand have critical documents prepared by other parts of the system being drawn up without the benefit of the insight that those communities that will be involved in other ways can bring. Providing those legal safeguards is an essential process, in our view, and that needs to be more than six weeks of a PDF being on a website; it needs to be something that requires positive interaction being secured with those who are going to be interested and engaged in it.

Jonathan Owen: There is some helpful evidence from the neighbourhood planning process. Where communities have been engaged and have inputted effectively to the development of neighbourhood plans, they have understood the reasons for some of the development pressures and other things. Actually, where there are neighbourhood plans, additional housing to that anticipated in the local plan has often been put in place. Engagement and full consultation, as Tony suggested, is sensible.

The Chair: I call Greg Smith.

Q113 Greg Smith (Buckingham) (Con): Thank you, Mrs Murray. Good afternoon to our witnesses. I work with a lot of parish councils across my constituency, which is predominantly rural. More often than not, parish councils come to me when there are issues with contentious planning applications and other development-led problems. One of the things that I see on a daily basis is almost a level of burnout among parish councillors, including last year losing an active, prominent chairman of the parish council—he had retired and wanted to

give something back to his community, only to find that he was working longer hours on parish matters than he had been in the full-time job he had just retired from. Given that the Bill will place greater pressure on parishes—on neighbourhood planning and other matters—without creating another tier of professional politician, how can we rebalance the asks that are put on our parish and town councils? Jonathan, that is probably a question for you predominantly.

Jonathan Owen: Well, that is a \$60 billion question. That is an issue for parish councillors.

I have a few reflections. First, we need to promote their work more effectively, publicising what they can do and understanding their potential. Parish and town councils can deliver exciting and good things for their communities. They are not just a place to go and sit for a boring meeting; they are about getting out there to help communities. I think that was the experience of the pandemic, actually: a lot of parish councils rolled up their sleeves, as they often do, and made things happen. I remember that my previous chair, Ken Browse from Devon, who was a small parish councillor, used to get his tractor out and dig out the ditches when there was flooding in Devon. It is about trying to use that potential of councillors, rather than getting them borne down, as you say, under a sort of semi-professional thing. That is not what they are there for: they are there to represent their local constituents and do their bit to make their local places much better.

We would like to see some real promotion of parish councils. It is ironic that over the past year they have probably had much more of a national profile because of the Jackie Weaver affair, but I think national Government should be investing significant money in promoting the potential of parish councils and why people should get involved. The National Association of Local Councils has its Make a Change campaign going at the moment, which is trying to encourage more people to get involved and stand for election. We are putting out a lot of material and, I think it would be fair to say, getting a lot of interest. The average age of a parish councillor is something like 61. We would like to see that much reduced, and we would like to see people from different backgrounds getting involved. As with all things, it needs to be marketed and promoted.

The second point I would make is that principal authorities get something like £18 million from Government to support the work of the Local Government Association and build the capacity and competence of councillors. We are really grateful to the LGA, which we are able to work with in some limited areas to access some of that funding, but our sector and our 100,000 councillors need some support from Government too, to make sure they are able to deliver the things that are required in a sensible way. I think that that investment in councillors as local leaders and place shapers, making a difference for their communities, would help tackle burnout.

Tony Burton: If burnout is an issue in town and county councils—which I can well acknowledge—imagine what it is like when you are dealing with an entirely volunteer network. We do not have a National Association of Local Councils; we do not have a parish clerk or a town clerk; we do not have an infrastructure organisation; we do not have an email address; we do not have an office; and we do not have a place to meet. When a neighbourhood forum is set up, it is set up from nothing,

and it requires volunteers like us to put forward networks for London. London is unique in having a network that provides a bit of mutual support.

There are two points I would emphasise to make the life of being a civic volunteer something that you really want to do, and where you don't burn out. One is to remove as many of the obstacles we spend much of our time fighting against as possible. We are not naive—of course life is going to be difficult—but there are pointless, and sometimes gratuitous, obstructions being put in the way of volunteers trying to do the right thing in their area. We have a range of evidence for that in relation to neighbourhood planning in London or from the research we have done. We do not have the time to go into it here, but it is available to the Committee if it wishes to look at it. The second is to put booster rockets under the support programme, which we have touched on already as being the single most important intervention—far more important than the Bill—so that it can be effectively delivered, ensuring that neighbourhood planning is one of the tools available to communities to take back more influence over planning.

Q114 Greg Smith: That is very helpful. As parishes, town councils and volunteer networks—particularly in London—look to the future on the presumption that this Bill will become law, given the relatively low percentage of areas that have an active neighbourhood plan, how prepared are parish councils and town councils for taking on the work that is going to come down the line. In the case of London, how robust do you think the London boroughs can be?

I ask that through the lens of having been a London councillor for 12 years, before moving to the countryside and later having the privilege of being elected to the House of Commons. Thinking through some of the geography, the London borough I sat on was smaller geographically than some of the parishes in my constituency now. While I totally salute the efforts of volunteer networks across the capital, do we think that the geography in some parts of London, particularly inner-London boroughs, lends itself to those boroughs still having that primacy?

Tony Burton: I hear what you are saying, and I am sure the populations of those boroughs and parishes are dramatically different. We need only point to the “city of villages” and Ebenezer Howard. The neighbourhoods of London are defined much more tightly than the boroughs, and many London neighbourhoods cross borough boundaries. One example is Crystal Palace, which is a very identifiable community, yet it crosses five London boroughs. It has been almost impossible to establish an effective boundary through the neighbourhood planning process, but that does not mean Crystal Palace is not Crystal Palace.

Crystal Palace identifies with itself, as do all the other neighbourhoods in London. We think there is significant scope below the borough level. There is an open question, which goes beyond the scope of the Bill, as to whether London might have too many boroughs, and the way they share services at the moment would suggest they acknowledge that—they share chief executives, legal services and all the rest of it.

London is an example of where there is still a need. There is the question of whether areas are willing to take on those responsibilities, linked to the issues of

support, the attitude of professionals and politicians within the boroughs and the question of where this is going. What happens after they produce a neighbourhood plan? We would like to see the evolution anticipated by the Localism Act 2011 of neighbourhood forums evolving into the urban equivalent of a town or parish council, of which we have only one in London at Queen's Park, which has a particular history. There are opportunities in this Bill to help the process mature and to create more sustainable models that might start with a neighbourhood forum producing a neighbourhood plan before growing into a much more all-encompassing, community-led form of governance.

Jonathan Owen: It would be great if we could make it easier to set up local structures that are equivalent to parish and town councils. I would love to change the name to "community councils," which would help to dissociate the sector from the connotations of the word "parish" and enable them better to reflect urban communities. Slimming down some of the legislation would make it easier to set that up. We would have community councillors and a community co-ordinator, otherwise known as a clerk. The clerks do a brilliant job, but they are often community co-ordinators. We obviously support the work Tony mentioned.

There has been a degree of uncertainty about neighbourhood planning over the past few years, and some people have been concerned that it is overlooked on appeal. The measures in the Bill might well help with that, and it is important to reboot and refresh the support package.

Finally, it would be good if we could boost the infrastructure levy for areas with neighbourhood plans. We are keen to work with the Government on driving greater numbers of parish and town councils to do neighbourhood plans. We share with our councils the things that have been done in so many places to tackle climate change and to promote health and wellbeing as part of the neighbourhood planning process.

Q115 Greg Smith: I have a very quick last question, as I am aware another colleague wants to come in. Given that parish and town councils know their communities better than any other tier of government, who should set the level of housing need—or housing targets, to use a controversial phrase—for house building development? Should it be national Government, planning authorities or parish and town councils, or whatever is created in London below the borough level?

Jonathan Owen: Tony, do you want to go first?

Tony Burton: There are two issues here. The first is the numbers, and I do not think it can be done by just adding up all the local levels, because the nature of the housing market is such that you need a blend of strategic and local insight. It is about how we make sure the discussions and negotiations that take place mean there is an effective blend.

There are particular opportunities to strengthen the identification of particular needs that would not otherwise be met, whether they be house sizes and types; questions around affordability and rent; or the provision of alternative tenures—community land trusts and others. There is plenty of evidence now that neighbourhood plans are providing a much more refined insight into what is needed in areas, which can then carry appropriate weight

through not just planning decisions but housing decisions. That would ensure that whatever the total number, a higher proportion are meeting the needs that are being expressed and are not just being used for investment or other less publicly useful purposes.

Jonathan Owen: It has to be an interplay between the various levels. We need to change the culture around planning to get different tiers talking and engaging with each other. That often does not happen at the moment, and it would be really good to see better engagement between the various tiers coming out of this Bill. The experience of neighbourhood planning is people being engaged and consulted, and having an effective input. They understand the pressures for local housing and the need to meet the needs of their local residents and their young people. I am a glass half full man and it would be great to see better dialogue and interplay between the various tiers to deliver what we all need, which is more local housing.

Tony Burton: Briefly, the evidence is that neighbourhood plans are delivering more housing locally than would otherwise be the case if it was left to local councils.

The Chair: The final question is from Rachael Maskell.

Q116 Rachael Maskell: How do you think the Bill could be strengthened to better support neighbourhood planning? What kind of governance structures would you want to see to achieve that?

Tony Burton: We would like to see a Bill that gives more incentives to produce neighbourhood plans and ensures that neighbourhood forums have access to and can make decisions on the spending of the community infrastructure levy. We would like to see a Bill that removes some of the obstacles to neighbourhood plans coming forward where there are obstructive local planning authorities—principal authorities—by strengthening the legal duty on them to support neighbourhood planning and by putting more time limits and appeal mechanisms in place to navigate the process accordingly.

We would like to see the neighbourhood priorities statements being given more weight where they are to be taken forwards, so they cannot just be ignored, and to see them piloted. We would like to see the Bill come forward with a package of support that would scale up what has been learned from the experiences of the last 10 years, and a programme of support, with an emphasis on more funding but also better use of the existing funding, that was designed to enable those communities to come together to produce plans and tap into the expertise that they need at certain key stages. Above all, the support should enable them to learn from each other and build the neighbourhood planning movement, so that that becomes the norm across the country.

Jonathan Owen: I agree very much with what Tony has said. I would offer a couple of additional points. First, recipients must be able to use the infrastructure levy flexibly for a range of uses. Linked to that, I would like to see in the Bill the extension of the general power of competence, which is proposed for the county combined authorities, to parish and town councils too, so that they can use some of that to support a range of things that they might not otherwise be able to support. That should make it easier for local councils to deliver for their communities and to ensure that they are spending money wisely on the right things locally.

Rachael Maskell: Thank you.

The Chair: If there are no further questions from Members, I thank the witnesses for their evidence. The Committee will meet again at 2 pm in this room to hear further evidence on the Bill.

Ordered, That further consideration be now adjourned.
—(*Miss Dines.*)

12.59 pm

Adjourned till this day at Two o'clock.

