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Public Bill Committee

LEVELLING-UP AND REGENERATION BILL

Sixteenth Sitting

Tuesday 19 July 2022

(Morning)

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not later than

Saturday 23 July 2022

The Committee consisted of the following Members:

Chairs: Sir Mark Hendrick, Mr Philip Hollobone, Mrs Sheryll Murray, † Ian Paisley

† Atherton, Sarah *(Wrexham)* (Con)
Benton, Scott *(Blackpool South)* (Con)
† Farron, Tim *(Westmorland and Lonsdale)* (LD)
Fletcher, Colleen *(Coventry North East)* (Lab)
Gibson, Patricia *(North Ayrshire and Arran)* (SNP)
† Henry, Darren *(Broxtowe)* (Con)
† Johnson, Gareth *(Dartford)* (Con)
† Jones, Mr Marcus *(Minister of State, Department for Levelling Up, Housing and Communities)*
† Lewell-Buck, Mrs Emma *(South Shields)* (Lab)
† Maskell, Rachael *(York Central)* (Lab/Co-op)
† Moore, Robbie *(Keighley)* (Con)
Mortimer, Jill *(Hartlepool)* (Con)
† Nici, Lia *(Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities)*
† Norris, Alex *(Nottingham North)* (Lab/Co-op)
† Pennycook, Matthew *(Greenwich and Woolwich)* (Lab)
† Smith, Greg *(Buckingham)* (Con)
† Vickers, Matt *(Stockton South)* (Con)

Bethan Harding, Adam Mellows-Facer,
Committee Clerks

† attended the Committee

Public Bill Committee

Tuesday 19 July 2022

(Morning)

[Ian Paisley *in the Chair*]

Levelling-up and Regeneration Bill

9.25 am

The Chair: Before we begin, I have some preliminary announcements. Members should please email copies of their speaking notes to hansardnotes@parliament.uk. No food or drinks are permitted, but there is plenty of water provided—obviously, you should drink that today. If you would like to remove your jackets, feel free to do so, and please keep electronic devices on silent mode.

Clause 88

Contents of a neighbourhood development plan

Tim Farron (Westmorland and Lonsdale) (LD): I beg to move amendment 119, in clause 88, page 94, line 27, at end insert—

"(aa) policies (however expressed) relating to the proportion of dwellings which may be in—

(i) use class 3A (second homes), or

(ii) use class 3B (holiday rentals)

under Schedule 1 of the Town and Country Planning (Use Classes) Order 1987 (S.I. 1987/764)."

This amendment would enable neighbourhood plans to include policies relating to the proportion of dwellings which may be second homes and short-term holiday lets under use classes created by NC38.

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

New clause 38—*New use classes for second homes and holiday lets*—

'(1) Part 1 of Schedule 1 of the Town and Country Planning (Use Classes) Order 1987 (S.I. 1987/764) is amended as follows.

(2) In paragraph 3 (dwellinghouses)—

(a) for "whether or not as a sole or" substitute "as a", and

(b) after "residence" insert "other than a use within Class 3B)".

(3) After paragraph 3 insert—

"3A Class C3A Second homes

3A Use, following a change of ownership, as a dwellinghouse as a secondary or supplementary residence by—

(a) a single person or by people to be regarded as forming a single household;

(b) not more than six residents living together as a single household where care is provided for residents; or

(c) not more than six residents living together as a single household where no care is provided to residents (other than a use within class C4).

Interpretation of Class C3A

For the purposes of Class C3A "single household" is to be construed in accordance with section 258 of the Housing Act 2004.

Class C3B Holiday rentals

Use, following a change of ownership, as a dwellinghouse as a holiday rental property."'

This new clause would create new class uses for second homes and short-term holiday lets.

New clause 39—*Planning permission required for use of dwelling as second home*—

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

(2) In section 55 (meaning of "development" and "new development"), after subsection (3)(a) insert—

"(aa) the use of a dwelling as a second home following a change in ownership involves a material change in the use of the building (whether or not it was previously used as a second home);".'

This new clause would mean planning permission would be required for a dwelling to be used as a second home following a change of ownership.

Tim Farron: Good morning, Mr Paisley; it is a pleasure to serve under your chairmanship on this lovely day. I am grateful for the opportunity to move the amendment and to speak to new clauses 38 and 39.

I volunteered for this Committee for many reasons: to spend time in great company and to be involved with a Bill that gives great opportunities to make a difference for this country, if we get it right. However, my fundamental motivation was to try to address a problem that has afflicted my community in Cumbria, and others, for a number of decades, and which I referenced in my maiden speech more than 17 years ago. That problem has got catastrophically worse in the last two years.

Before the pandemic, the average house price in my constituency was about £250,000, and the average household income was about £26,000. In the lakes and the dales, there is a much greater disparity in scale, where average house prices were already pushing towards £500,000 and average household incomes were no greater than in the rest of the district. There were 5,500 people on a council house waiting list and we have fewer social rented properties than that. Second home ownership was creating massive problems with under-population in villages that were losing their schools, their post offices and their bus services. In many communities, more than 50% of properties were empty.

Even before the pandemic, there was a huge problem. We have pushed the Government to take action for years, but we have seen precious little action. Since the pandemic, the situation has gone from crisis to catastrophe and urgent action is needed. The Government are dragging their feet; the one or two things they have talked about doing to address those issues will not even touch the sides.

Let us look at the situation now. Between June 2020 and June 2021—we are awaiting the figures for this year—in South Lakeland alone there was a 32% rise in the number of holiday lets. That area includes the most populated parts of the Lake district and the Yorkshire dales, and there was a colossal number of holiday lets to start off with, so where does a rise of 32% come from? They were not built for the purpose; they were long-term lets that migrated into short-term lets or Airbnbs.

According to estate agents, up to 80% of all house transactions in the last two years fall into the second homes market—to people who own a property but do not live in that property. From live information—literally, given yesterday—AirDNA says that within our community there are 8,111 short-term available lets. Rightmove sent a snapshot yesterday of 262 long-term lets, which means that there are 35 times more short-term lets in our community than long-term lets. We are seeing lakeland clearances, which have taken place in just a couple of

years. People have been evacuated and expelled from the communities where they served and worked, where they may have grown up, where they sought to retire. People of all ages, not just the working-age population, have been evicted under section 21. Typically, those homes then migrate instantly into the Airbnb market.

Let me give you some examples. Debbie in Windermere, a hotel manager, was evicted from her property under section 21 and had to move to Lancaster, 30 miles away. She could find no way of staying in that community. As a consequence, that hotel is still without a manager. I think of a couple in Ambleside: him a chef, her a teaching assistant. They have one child in school and one about to go to school. They have been evicted from their property, which is now worth five times more on Airbnb than they were paying for it. They do not live anywhere in Cumbria now. They both had to give up their jobs and pull their children out of school and nursery, robbing that community of their services and their work.

I also think of Mike, who I spoke to on Saturday. He works in Windermere and lived in Troutbeck Bridge, just two or three miles up the road. He was evicted from his long-term let there, where he had lived for years, and he now has to live in Morecambe. It is a lovely place, but it is 30 miles away. He will soon have to give up his job. Good luck to his employer in finding anyone to replace him.

In the relatively small Yorkshire dales town of Sedbergh, 24 people were evicted during a two-week period in April. Not a single property is available on Rightmove to help those people. There is no doubt whatsoever of the reasons for that. I have some schools in our national parks reporting drops in school rolls of between a fifth and a third of their entire school numbers over the past two years. There are consequences to inaction. We are talking about the death of communities. It is happening as we speak.

We are seeing the annihilation of the workforce. In a study a few weeks ago, 63% of Cumbria Tourism's members reported that they had to operate below capacity last year because they could not find staff. The workforce is being expelled at a rate of knots. What is the impact of that on our economy? Cumbria Tourism is the biggest employer in Cumbria, contributing £3.5 billion to the Exchequer. Our businesses are underperforming because they are understaffed, because the workforce has been cleared out. In Sedbergh, again, just a few weeks ago—in a snapshot of this one dales town—there were 104 unfilled vacancies. By the way, there are zero spaces available for any long-term let on Rightmove.

Look at the care sector. In the census report a couple of weeks ago, we saw a 30% rise in retirement age groups in our communities. Subsequently, there is a massive rise in the demand for care and a massive drop in the number of people available to provide that care. A tragedy is happening on our doorsteps and within our communities, and not just in the lakes and dales, but elsewhere in Cumbria and other parts of rural Britain. What we are seeing is the tragedy not only of divided families, but of lost services—the impact on schools under pressure and on bus services being lost because of a lack of an active, full-time population in our communities.

Those of us who live in or around a national park—I have the honour of representing two—are not trying to hold them tightly and keep them for ourselves. We want to share them with the country. We are stewards of our national parks for the whole country. However, due to Government inaction and the market being broken, we are seeing our communities and national parks being turned into no-go zones for anybody who is not a millionaire.

There is nothing in the Bill that even touches the sides of being able to tackle this crisis. I want the Government to tackle it with the urgency and speed with which the problem itself is developing. Rarely would we find anything like this amendment and these new clauses when looking at legislation, but they are genuinely the silver bullet to give communities the power to take back control and ensure that they breathe life back into those communities.

I will briefly talk the Committee through the amendment and the new clauses. New clause 38 would provide local planning authorities with the power to make a difference. Under current planning criteria, a permanent dwelling, a second home and a holiday let are all the same category of use, technically. Practically, of course they are not the same category of planning use; they are three very distinct categories. All that the new clause would do is allow local council planning authorities in the Lake district and the Yorkshire dales to be able to differentiate between the three. In a community such as Coniston, where more than half of the homes are not lived in all year round, the council will be able to set a cap and say, "No more." These measures are about simply giving our communities the power to decide their own destiny.

I simply ask the Minister to take this matter seriously and accept the amendment and the new clause. Together, they would allow local communities to decide their own destiny, to prevent the clearance of a local working-age—indeed all-age—population and ensure that our national parks and rural communities, not just in Cumbria but across the country, are available to everyone, not just the wealthy.

Matthew Pennycook (Greenwich and Woolwich) (Lab): It is a pleasure to serve under your chairmanship, Mr Paisley. I will be relatively brief, both because we have discussed these issues extensively in Committee and because the hon. Member for Westmorland and Lonsdale made the case so comprehensively, speaking about the communities in his constituency and the lives and livelihoods of those who make up the communities.

As I have said before, one need only speak to any hon. Member with acute housing pressures of the kind the hon. Gentleman set out to realise that the Government have not got the balance right between the benefits of second homes and short-term holiday lets to local economies and the impact of excessive concentrations of them on local people. It has also become apparent over the course of previous debates that there is a divide between those on the Opposition side and those on the Government side when it comes to how urgently and how boldly we must act to address the problems of excessive second home ownership and its staggering growth. The hon. Gentleman gave truly staggering figures of short-term holiday lets, showing the problems they cause around the country.

[Matthew Pennycook]

The Opposition are clear that we need urgent action in a range of areas to quickly bear down on this serious problem. There is no doubt in my mind that the introduction of new planning use classes could—along with a suite of other measures, because more measures would be needed—go a long way to restoring the balance that we all agree must be struck, giving communities back a measure of control that they do not currently enjoy. For that reason, we wholeheartedly support the amendments and urge the Government to give them serious consideration.

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Paisley. I want to add my support to these amendments. The issue seems to be that holiday destinations in particular have been hit by the Airbnb market. I am sure the hon. Member for Westmorland and Lonsdale will be hearing from many of his colleagues about the implications it has, whether they are from Cornwall or Devon, and it is now spreading across the country.

York has been hit, in particular over the pandemic. We have seen a 45% increase in Airbnbs over that period, and it is hitting our communities hard. According to today's figures, there are 2,068 Airbnbs in my community. We are seeing an extraction economy, where money is being taken out of our local economy predominantly by people from London and the south-east, who can afford to buy these additional properties. They are clearly trying to make a profit, but it comes at the expense of our communities.

We have heard about the impact on public services and the local economy. Hospitality venues are now not able to open full-time for the guest economy, because they cannot recruit the necessary skills. It is skewing the whole economy and our public services, in particular care work, and that is now orientating into our NHS. It is jacking up the house prices in the area, and we are getting this heated housing market because demand is so great. We hear about people coming and buying six, seven or eight of these properties at one go.

The result of this increased demand is that local people are impacted. They are faithfully saving for their mortgage, but when they go to put an offer on a house, someone undercuts them by tens of thousands of pounds, because they know that they will get the return. Renting a property in York costs, on average, £945 a month. An Airbnb stay over a weekend costs £700. That is why we are seeing this massive reorientation. Section 21 notices are being issued to people in the private rented sector to move them on to make way for Airbnbs.

The undercutting of prices is also impacting on the regulated B&B and guesthouse market, and because Airbnb and second homes are not regulated, the health and safety is not there, and there are so many other checks that are not in place. A registration scheme, which I know the Department for Digital, Culture, Media and Sport is consulting on, is completely insufficient for addressing the challenge. It is a new challenge, and the Bill provides the Government with the opportunity to right the wrongs of what is happening and at the scale it is happening.

Creating these new classes would bring opportunity, but revenue can also be drawn from them. Many of the properties in question are classified under small business rates, so their owners do not pay council tax, but because they reach the threshold for small business rate relief, local authorities such as York are missing out on millions of pounds in revenue that they could get from such properties. It is therefore really important to categorise the properties and then look at how we use the categories.

I mentioned that in York we have 2,068 properties listed as Airbnbs; two weeks ago there were 1,999, so the number of properties that are going out to this new market is going up week by week. That is having a significant impact on York and York's communities, so I trust that the Minister will not only support the amendment but engage in a wider discussion about what is happening to our communities, particularly in holiday destinations, so that we can ensure that, through this legislation, there is a suite of policies to ameliorate that market.

The Minister of State, Department for Levelling Up, Housing and Communities (Mr Marcus Jones): It is a pleasure to serve under your chairmanship, Mr Paisley. The amendment and new clauses raise an issue on which the Committee touched when we discussed our proposal for a second homes council tax premium. As was said in that debate, we recognise the impact that a large and growing concentration of second homes and short-term holiday lets can have on communities.

The hon. Member for Westmorland and Lonsdale is charmingly persistent on this matter, not just for his own constituency, and I have some sympathy with his case. We know that in areas such as the Lake district, Cornwall, Devon and the Isle of Wight there are concerns about the impact of second homes and short-term holiday letting on the availability and affordability of homes for local people. I also know that the proliferation of short-term lets has affected our cities—we have heard the hon. Member for York Central talk about that, and I am aware that it is also an issue in Bath and London—which is why we are listening to local communities about the measures that they think will help to address the issues in their area.

Neighbourhood planning is an important tool in this context and, as I am sure we will discuss further, the Government wish to strengthen it. However, neighbourhood plans can already set policies concerning the sale and use of new properties in their area, including by limiting the sale of new homes for second homes and holiday lets. An example of this is in St Ives, where the neighbourhood plan, approved by local people, introduced a principal residence policy to prohibit the sale of new homes as second homes. Although the policy was challenged in the High Court, the court found in favour of St Ives and its policy. As such, I hope that the hon. Member for Westmorland and Lonsdale will agree that the changes he seeks to make with amendment 119 are already built into the neighbourhood planning system.

Rachael Maskell: I want to highlight the fact that the issue is not just with new properties; it is predominantly existing properties that are brought forward. To put such a policy into the planning process, as the Minister proposes, will address only part of the problem—the future problem—and certainly will not stop the market because it will orientate completely to the existing housing stock.

Mr Jones: I completely understand where the hon. Member is coming from. Clearly, this is about not just new builds but the wider property market. I will address that point later, but let me say now that we are aware of the issue and are doing a significant amount of work to understand the problem further and to work through the possible solutions with communities.

It is important that proposed solutions help to address the issues while avoiding unintended consequences. In that regard, I have some concerns about new clauses 38 and 39, which were also tabled by the hon. Member for Westmorland and Lonsdale. First, they risk increasing the burdens faced by local planning authorities throughout England by creating extra planning applications that they will need to decide. The issue affects different areas in different ways, so our view is that any solutions should provide tools that can adjust to local circumstances.

In addition, I am unsure why the proposal is that a change of ownership, rather than changing a property to a second home or a holiday rental, should trigger the requirement. That means that cases where the existing owner changes the property to a second home or a holiday rental would not be covered until the subsequent owner sought to continue that use. That adds a new test for local planning authorities to apply and monitor and adds complexity to the proposed use classes, in a way that could prove unhelpful.

9.45 am

As I have highlighted, the Government published a call for evidence on a short-term accommodation registration scheme on 29 June so that we can better understand the positive and negative impacts of holiday lets on local communities, and that consultation runs until 21 September. We want to hear from a wide range of stakeholders, including local authorities, in order to build a much-needed evidence base on the issues and develop proportionate responses. I hope the hon. Member for Westmorland and Lonsdale will be reassured—although I am not absolutely sure he will be—that we are taking the matter seriously and are taking onboard his concerns, and will continue to do so.

Mrs Emma Lewell-Buck (South Shields) (Lab): The Minister mentions a consultation that will end on 21 September. If it recommends putting what is being asked for into the Bill, will he come back and do that?

Mr Jones: For a number of days now, issues have been raised in Committee that it is right for us to reflect on. Clearly, 21 September coincides with the last day of this Committee's considerations but, as the hon. Member knows, that is not the end of the process. I am not in a position to confirm what she asks for, but it is important that matters drawn to the Government's attention in Committee are considered carefully. We will see what amendments are tabled on Report, by the Government and by Opposition parties. On that basis, I hope that the hon. Member for Westmorland and Lonsdale will withdraw his amendment.

The Chair: I call the charmingly persistent Tim Farron.

Tim Farron: Thank you, Mr Paisley; that is very nice of you. I am also grateful to the Minister, but I think that my constituents and many other people in rural Britain, on hearing his reply, will consider this a case of the Government fiddling while communities such as mine die. The Minister deployed some interesting language, and perhaps we should change the name of this Committee to the increasing burdens Committee. Give us the flipping burdens! We want the burden of responsibility to save our communities; that is what we are asking for.

As I said, planning authorities, committees and departments need the resources to enforce the powers they already have. They also need the resources to enforce the new powers that I hope the Government will see the light over and grant. But it is worth addressing what the Minister said about what the Government are already doing because, to be clear, it will not touch the sides. I reckon the council tax premium will affect the wealthiest 5% of second home owners. It will not make one bit of difference to whether they carry on having a second home, particularly when they are allowed to rent their holiday cottage out for 70 days a year, which they do. They can then register as a holiday let small business. As a consequence, they do not pay council tax, and as a "small business" they do not pay business rates either.

In other words, some of the people who are just about clinging on in my communities—single parents living on the estates in Windermere, Milnthorpe, Kendal or Sedbergh—are subsidising the Mancunian barrister's or London banker's second home in Coniston. It is out-flipping-rageous, and the Government have the power to do something about it. Never mind having further inquiries and investigations. We know what the problem is and what the solutions are, and I am utterly frustrated that the Government will not accept it.

This is a test—a burden on the Government—of whether levelling up means anything in rural communities. Rural Britain, today and through the coming weeks, will hear whether the Government are up to that test. Many of the Minister's right hon. and hon. Friends who represent constituencies like mine will be forced to make a big choice: will they take the Whip or will they stand for their communities? I will start by posing that test today and pressing this amendment to a Division.

Question put, That the amendment be made.

The Committee divided: Ayes 5, Noes 8.

Division No. 9|

AYES

Farron, Tim	Norris, Alex
Lewell-Buck, Mrs Emma	
Maskell, Rachael	Pennycook, Matthew

NOES

Atherton, Sarah	Moore, Robbie
Henry, Darren	Nici, Lia
Johnson, Gareth	Smith, Greg
Jones, Mr Marcus	Vickers, Matt

Question accordingly negatived.

Tim Farron: I beg to move amendment 120, in clause 88, page 94, line 27, at end insert—

"(aa) policies (however expressed) limiting new housing development in a National Park or an Area of Outstanding Natural Beauty to affordable housing;".

This amendment would enable neighbourhood development plans to restrict new housing development in National Parks and AONBs to affordable housing.

The Chair: With this it will be convenient to discuss new clause 40—*Local authorities to be permitted to require that new housing in National Parks and AONB is affordable—*

"(1) Notwithstanding the National Planning Policy Framework, a local planning authority may mandate that any new housing in its area that is within—

(a) a National Park, or

(b) an Area of Outstanding Natural Beauty

is affordable.

(2) A local planning authority may define 'affordable' for the purposes of subsection (1)."

This new clause would enable local authorities to mandate that new housing under their jurisdiction and within a National Park or an Area of Outstanding Natural Beauty is affordable, and to define "affordable" for that purpose.

Tim Farron: We have just talked about what we do with existing housing stock and about seeking to make sure that it is retained and that we increase the amount that is available for permanent occupancy, for all the reasons I set out earlier. The amendment would tackle extreme situations, using some admittedly extreme measures, to ensure that new build also provides for the needs of local communities.

I want to stop for a moment to make it clear that we are not saying, "Only homes for locals." We are delighted for anybody to come to Cumbria to become new locals and part of our community, to work and to contribute. We are proud of our diversity and of being a welcoming community, but let us ensure that the houses we build are affordable.

It is a pleasure to represent the Lake district and the Yorkshire dales, as well as the Arnside and Silverdale area of outstanding natural beauty, which has many of the features, including some of the planning powers, of a national park. Any property that goes on the market in those areas will be snapped up within seconds for a premium price. That includes new properties that are potentially built for local occupancy. It is easy to get around the occupancy clauses: people can buy the properties and then turn them into holiday lets quite quickly or move away from the area and use them as second homes, so the occupancy clauses are no protection.

The amendment would give planning authorities in national parks, which face extreme circumstances, radical powers that they can use, in some circumstances, for a period of time. We are not saying that they have to use them, but the powers would be there and available to them. If the Lake district or the Yorkshire dales wished to say, as I am sure they would if they were given these powers, that they would permit only developments that were genuinely affordable, which would normally mean social rented or shared ownership properties, they would be able to enforce that.

The experience in the not-too-distant past, when national park planning authorities had greater powers in practice than they do today, was that such provisions worked. There is a wrong view, which I think is held by some in this place, that the more restrictions there are, the less development we get. That is baloney. Practice proves that that is not true. If authorities are crystal clear to developers, housing associations and others that this is what they will get, and no more, people will either come forward or they will not.

I can call on experience in places such as Grasmere; Ambleside, where the Methodist and Anglican churches worked together to provide new affordable housing with the support of the national park; Windermere, where a similar thing happened; Coniston; and Hawkshead. The communities there were the diametric opposite to nimbys: they actively went out to find land to develop, which people gave up cheaply; they worked and fundraised to make sure things happened; and they left properties in their wills to make sure that collaborations could happen and we could build affordable houses. One reason why that was possible was that people potentially leaving a bequest knew that they could trust the national parks to ensure that their property would end up being redeveloped in an affordable way for a local family, which also meant that developers were clear that that was all that would be on the table. The evidence from 20 years' experience is that if we are more restrictive, clearer and more directive, we will get the homes that we need for communities such as mine.

The simple fact is that in many parts of the country—not just Cumbria but especially there—if we build it, someone will buy it. By not giving local communities that power, we are simply building for demand, not for need. We can carry on building for demand, but as a result, we will lose our workforce and there will be no one to care for the older people in our community, of whom there are many, in their need. The economy will dissolve because of that lack of workforce, and communities will die.

We need to ensure that we build the houses so that they are there and people can afford them, and that affordable means affordable. We need to ensure that the national parks can enforce those criteria for a period of time, so that we can solve this problem through what we do with our new builds, as we should be doing with the properties that already exist.

Matthew Pennycook: I thank the hon. Member for Westmorland and Lonsdale for tabling these amendments, the intention behind which we very much sympathise with. We know that excessive rates of second home ownership in rural and coastal areas are having a direct impact on the affordability, and therefore availability, of local homes, particularly for local first-time buyers. Correspondingly, we know that the marked growth in short-term and holiday lets in such areas is having a direct impact on the affordability and availability of homes for local people not just to buy but, as he said in relation to the previous group of amendments, to rent.

Research from CPRE, the countryside charity, makes it clear that our rural housing supply is disappearing and social housing waiting lists in rural areas are lengthening year on year. I agree with the hon. Gentleman that it is crucial that more is done to ensure that national parks and areas of outstanding natural beauty have not just more affordable homes but—I make the distinction—more genuinely affordable homes.

If I am honest, however, I am concerned about the implications of the blanket nature of the restrictions provided for by these proposals. Although there is no doubt in my mind that the provision of genuinely affordable homes to buy and rent must be the priority in such areas, I worry slightly about the potential for unintended consequences, such as ruling out the provision

of housing for general demand, which might be needed in some parts of the country to sustain the life of communities.

That said, I appreciate that these proposals are premised on giving communities discretion as to whether they use these powers, and I recognise and support the point that the hon. Gentleman is making with them. I hope the Government respond constructively.

Rachael Maskell: I, too, am sympathetic to these proposals, but I want to point out an area of unforeseen consequence. My constituency is not an area of outstanding natural beauty—although I would argue that it is—or a national park, but we sit just beneath the Howardian hills, and the dales and moors are not far away. If these blanket proposals and bans are orientated to those areas, the challenge is that they could heat up the Airbnb market even faster, particularly in somewhere such as York.

On the application process for a world heritage site, it would seem sensible for a world heritage site to be included in the criteria. I would compare the measure with a residential parking scheme: as we know, if we restrict parking on one street, people tend to park on the next street along, and we just build out and out. That may happen if we do not give flexibilities and opportunities to all areas.

Although I am really sympathetic to the sentiment behind these proposals and to the powers they would give, the scope should be broadened to enable all authorities to have the opportunity to control the housing and the lease of housing within their governance.

10 am

Mr Jones: Although I entirely understand the desire of the hon. Member for Westmorland and Lonsdale for more affordable housing, particularly in national parks and areas of outstanding natural beauty, I fear that the approach he advocates would be counterproductive.

Clause 88 sets out what communities can address in their neighbourhood development plans. It already allows communities to include policies on the provision of affordable housing in their area, taking into account local circumstances. We recognise that delivering affordable housing in national parks and AONBs can be a challenge. To help address that paragraph 78 of the national planning policy framework includes a specific rural exemptions sites policy. It allows affordable housing to be delivered on sites that would not otherwise be developed to meet specific local housing need, and the majority of that housing will be required to remain permanently available to those with a local connection. In addition, in 2021 we published planning practice guidance to help bring forward more of those sites in the future.

Hon. Members will be aware that authorities in designated rural areas can set policies that contain a lower development threshold, above which affordable housing can be sought. That threshold can be between one and five units, compared to a threshold of 10 units in other areas. We will be consulting on how the small sites threshold should work in rural areas under the infrastructure levy.

New clause 40 would enable planning authorities for national parks and AONBs to mandate that new housing under their jurisdiction is affordable and to define "affordable" for that purpose. Authorities are already empowered to set policies in their local plans that require developers to deliver a defined amount of affordable housing on market housing sites, unless exemptions apply. These policies are able to take into account local circumstances in setting the appropriate minimum amount of affordable housing to be delivered, which will vary across the country.

Under the infrastructure levy, we will introduce a new "right to require" through regulations, by which authorities can require a certain proportion of the levy to be delivered as on-site affordable housing. That will be in addition to the rural exemptions sites, which I have already outlined. The revenue from market housing is vital for delivering affordable housing and other vital infrastructure, with over 24,000 affordable homes being delivered through developer contributions in 2020-21. As we will discuss, the new infrastructure levy has been designed to deliver as much on-site affordable housing as at present, if not more. Requiring only affordable housing could therefore reduce the amount of affordable housing obtained in these areas by making market development unable to proceed at all. Ultimately, that would make the affordability challenges in those areas worse rather than better. As such, although the concerns raised by the hon. Member for Westmorland and Lonsdale are valid and the Government are taking them seriously in our design for the infrastructure levy, I hope he will agree to withdraw his amendment.

Tim Farron: Just to be clear, the wording of the amendment means that it would enable national parks to do these things, and they can choose not to if they wish. If we are about respecting local communities, then what we do is about giving people power, not telling them what they must or must not do. For the Government to not support what I am proposing is effectively removing that choice from them.

I hear what people say about the impact on neighbouring communities. It is worth bearing in mind that national parks are—rightly or wrongly—made up of people from a whole range of different backgrounds. The people who are placed on national parks include those appointed by a Secretary of State, people from parish councils within the national park, and the principal authorities that make up that national park, which also cover areas that are not in the national park. At the moment, most of the area that Cumbria County Council covers is not a national park. It includes larger towns and, indeed, one city within Cumbria, which are not in the national park. Likewise, the district councils also have representatives, and not one of those district councils is majority national park in terms of population, so there is that understanding of the impact beyond the boundaries of a national park.

I understand what the Minister says about the importance of the revenue raised by market housing, but the evidence we see with our own eyes in communities like mine is that when communities can bank on new developments being affordable, we suddenly see a huge reduction in build costs, because landowners will give up land for significantly less than they would have done otherwise. Build costs reduce, and the whole community tries to find ways to achieve things. It is very similar to what has happened in my area with rural broadband—communities can deliver broadband much more cheaply than BT because,

[Tim Farron]

as it turns out, landowners are quite happy to allow a bunch of people to dig trenches as part of a community effort. People will do that for nothing, whereas they would not do that for a commercial enterprise. So that does not undermine the case at all.

The evidence I have brought before the Committee—the Rural Services Network stating and showing evidence that, on the Government's own metrics, rural England is more in need of levelling up than any of the geographical regions of England, even the poorest of them—tells us that we have to do something to tackle the need. This amendment is one way in which that could be done. I understand, however, and was interested in, some of the things that the Minister said, so I will not press it to a vote at the moment. I would love to see further action from the Government to address the issue in the coming weeks. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Rachael Maskell: I beg to move amendment 131, in clause 88, page 94, line 27, at end insert—

"(ab) policies (however expressed) that can require that some or all housing development sites within the neighbourhood plan area are used exclusively for the delivery of affordable housing, as determined in the neighbourhood plan;".

This amendment would specifically provide for neighbourhood development plans to specify that housing development must deliver affordable housing.

The Chair: With this it will be convenient to discuss new clause 41—*Local authorities to be permitted to require that new housing is affordable*—

"(1) Notwithstanding the National Planning Policy Framework, a local planning authority may mandate that any new housing in its area is affordable.

(2) A local planning authority may define 'affordable' for the purposes of subsection (1)."

This new clause would enable local authorities to mandate that new housing under their jurisdiction is affordable, and to define "affordable" for that purpose.

Rachael Maskell: I will be brief, Mr Paisley. We have just been talking about affordability, and I am sure that the Minister is listening carefully to our considerations and the different challenges we face across our communities. It is so important to be able to develop good, sustainable communities in the future. The amendment simply seeks to take that to the next level and enable neighbourhood planning processes to ensure that 100% affordability is built in to include social development, which is so important to building sustainable communities. We clearly do not see that at the moment. My amendment therefore speaks for itself.

New clause 41 would get there by a different route, so I am supportive of it, because I am trying to find a solution to the issue of affordability, which so many of our constituencies struggle with at the moment. I will say no more on that, but I trust that the Minister has heard and will respond appropriately.

Mr Jones: I understand that the hon. Member wants to see more affordable housing delivered, but I do not agree that the amendment is necessary to achieve that objective. The Government remain committed to neighbourhood planning, and the reforms in the Bill will ensure that neighbourhood plans continue to play an important role in the reformed planning system.

The clause sets out what communities can address in their neighbourhood development plans. It already allows communities to include policies on the provision of affordable housing in their area, taking into account local circumstances. New clause 41 seeks to enable local authorities to mandate that new housing under their jurisdiction is affordable, and to define "affordable" for that purpose. I entirely understand the desire for more affordable housing, but the approach that is advocated through the new clause would be somewhat counter-productive.

Local authorities are already empowered to set policies in their local plans that require developers to deliver a defined amount of affordable housing on market housing sites, unless exceptions apply. Such policies are able to take into account local circumstances in setting the appropriate minimum amount of affordable housing to be delivered, which will vary across the country. Under the infrastructure levy, we will introduce a new right to require in regulations, through which local authorities can require a certain proportion of the levy to be delivered as on-site affordable housing.

The revenue from market housing is, as I said, vital to delivering affordable housing, and we have already provided 24,000 affordable homes through developer contributions during 2021. In addition, the new infrastructure levy will help to deliver more on-site affordable housing than at present. I hope that, with those reassurances, the hon. Member will withdraw the amendment.

Rachael Maskell: I listened intently to what the Minister said. It does not fully satisfy me or answer the inquiry that I am making in the amendment, because he simplifies the ability to achieve the objective, which we know is not happening at the moment with the provisions that are in place.

I will withdraw my amendment today. However, I trust that we can perhaps look at this matter at a later stage of the Bill, in order to achieve the objective I am seeking. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Rachael Maskell: I beg to move amendment 132, in clause 88, page 95, line 4, at end insert—

"(e) in areas of historical, cultural or environmental sensitivity, requirements intended to ensure that development is in keeping with the proximal environment."

This amendment would enable neighbourhood plans to require that development in areas of historical, cultural or environmental sensitivity is in keeping with the surrounding environment.

I will again be brief, because my amendment is self-explanatory. In an area such as York, the development of part of the city can impact on the whole city. As I have previously mentioned, we are in an application at the moment for the tentative list of world heritage sites. Therefore, we want to ensure that the space in our city is built sensitively to best reflect our environment. That does not mean that it has to be identikit, just that we need to look at how we can build something that respects the historical, cultural and environmental sensitivities of an area such as York. We have a lot of

development happening in York and many plans coming forward simply do not fulfil those criteria. I have spoken to Historic England and to archaeologists in the city, and they have deep concerns about the effect that new build could have, including detracting from our city's incredible assets.

The amendment would also apply to the natural environment, ensuring that blend is built in with that. It does not mean that something new and vibrant cannot be developed, but it means that the sensitivities are considered. As a city, we are certainly interested, as I am sure many other places are, in how we can ensure that developers build according not just to their own desire, but to address the local sensitivities of an area.

Mr Jones: I thank the hon. Member for York Central for tabling the amendment. I understand that she wants to ensure that communities can protect their cherished local environments from harmful development. However, I do not agree that the amendment is necessary.

Under clause 88, communities will already be able to include policies that place requirements on new development to prevent it from harming sensitive areas. Furthermore, throughout the Bill we are already introducing measures to strengthen protections for our historic and natural environments, such as extending the protections for certain designated heritage sites, including a power to issue temporary stop notices, and moving to an outcomes-based approach in environmental assessment. On that basis, I hope that the hon. Member will withdraw her amendment.

Rachael Maskell: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Rachael Maskell: I beg to move amendment 133, in clause 88, page 95, line 9, after "contribute" insert

"to the mitigation of flooding and drought and".

This amendment would require neighbourhood development plans to be designed to secure that the development and use of land in the neighbourhood area contribute to flood and drought mitigation.

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

Amendment 2, in clause 88, page 95, line 9, after "contribute" insert

"to the mitigation of flooding and".

This amendment would require neighbourhood development plans to be designed to secure that the development and use of land in the neighbourhood area contribute to flood mitigation.

New clause 2—*Minimum requirements for flood mitigation and protection*—

"(1) The Secretary of State must, before the end of the period of six months beginning on the day this Act is passed, use the power under section 1 of the Building Act 1984 to make building regulations for the purpose in subsection (2).

(2) That purpose is to set minimum standards for new build public and private properties in England for—

(a) property flood resilience,

(b) flood mitigation, and

(c) waste management in connection with flooding."

This new clause would require the Government to set minimum standards for flood resilience, flood mitigation and flood waste management in building regulations.

New clause 3—*Duty to make flooding data available*—

"(1) The Secretary of State and local authorities in England must take all reasonable steps to make data about flood prevention and risk publicly available.

(2) The duty under subsection (1) extends to seeking to facilitate use of the data by—

(a) insurers for the purpose of accurately assessing risk, and

(b) individual property owners for the purpose of assessing the need for property flood resilience measures."

This new clause would place a duty on the Government and local authorities to make data about flood prevention and risk available for the purpose of assisting insurers and property owners.

New clause 4—*Flood prevention and mitigation certification and accreditation schemes*—

"(1) The Secretary of State must by regulations establish—

(a) a certification scheme for improvements to domestic and commercial properties in England made in full or in part for flood prevention or flood mitigation purposes, and

(b) an accreditation scheme for installers of such improvements.

(2) The scheme under subsection (1)(a) must—

(a) set minimum standards for the improvements, including that they are made by a person accredited under subsection (1)(b), and

(b) provide for the issuance of certificates stating that improvements to properties have met those standards.

(3) The scheme under subsection (1)(a) may make provision for the certification of improvements that were made before the establishment of the scheme provided those improvements meet the minimum standards in subsection (2)(a).

(4) Regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.

(5) A draft statutory instrument containing regulations under this section must be laid before Parliament before the end of the period of six months beginning with the day on which this Act comes into force."

This new clause would require the Government to establish a certification scheme for improvements to domestic and commercial properties in England made for flood prevention or flood mitigation purposes and an accreditation scheme for installers of such improvements.

New clause 5—*Insurance premiums*—

"(1) The Financial Conduct Authority must, before the end of the period of six months beginning on the day this Act is passed, make rules under the Financial Services and Markets Act 2000 requiring insurance companies to take into account the matters in subsection (2) when calculating insurance premiums relating to residential and commercial properties.

(2) Those matters are—

(a) that certified improvements have been made to a property under section [flood prevention and mitigation certification and accreditation schemes], or

(b) that measures that were in full or in part for the purposes of flood prevention or mitigation have been taken in relation to the property that were requirements of the local planning authority for planning permission purposes."

This new clause would require the Financial Conduct Authority to make rules requiring insurance companies to take into account flood prevention or mitigation improvements that are either certified or planning permission requirements in setting insurance premiums.

New clause 6—*Flood Reinsurance scheme eligibility*—

"(1) The Secretary of State must, before the end of the period of six months beginning on the day this Act is passed—

(a) establish a new Flood Reinsurance scheme under section 64 of the Water Act 2014 which is in accordance with subsection (2), and

(b) lay before Parliament a draft statutory instrument containing regulations under that section to designate that scheme.

(2) A new Flood Reinsurance scheme is in accordance with this section if it extends eligibility to—

(a) premises built on or after 1 January 2009 which have property flood resilience measures that meet the standard under section [minimum requirements for flood mitigation and protection](2)(a), and

(b) buildings insurance for small and medium-sized enterprise premises.

(3) The Secretary of State may by regulations require public bodies to share business rates information with the scheme established under subsection (1)(a) for purposes connected with the scheme.

(4) The Water Act 2014 is amended in accordance with subsections (5) to (9).

(5) In section 64 (the Flood Reinsurance scheme), after "household premises", in each place it occurs, insert "and small and medium-sized enterprise premises".

(6) In section 67 (scheme administration), after "household premises", in each place it occurs, insert "and small and medium-sized enterprise premises".

(7) After section 69 (disclosure of HMRC council tax information) insert—

"69A

Disclosure of business rates information

(1) The Secretary of State may by regulations require public bodies to disclose information relating to business rates to any person who requires that information for either of the following descriptions of purposes—

(a) purposes connected with such scheme as may be established and designated in accordance with section 64 (in any case arising before any scheme is so designated);

(b) purposes connected with the FR Scheme (in any case arising after the designation of a scheme in accordance with section 64).

(2) A person to whom information is disclosed under regulations made under subsection (1)(a) or (b)—

(a) may use the information only for the purposes mentioned in subsection (1)(a) or (b), as the case may be;

(b) may not further disclose the information except in accordance with those regulations."

(8) In section 82(5) (interpretation)—

(a) for "69" substitute "69A";

(b) after "household premises" insert "small and medium-sized enterprise premises".

(9) In section 84(6) (regulations and orders), after paragraph (e) insert—

"(ea) regulations under section 69A (disclosure of business rates information),"."

This new clause would require the Government to extend the FloodRe scheme to premises built since 2009 that have property flood resilience measures that meet minimum standards and buildings insurance for small and medium-sized enterprise premises.

New clause 7—*FloodRe Build Back Better scheme participation*—

"(1) The Financial Conduct Authority must, before the end of the period of six months beginning on the day this Act is passed, make rules under the Financial Services and Markets Act 2000 requiring insurance companies to participate in the FloodRe Build Back Better scheme to reimburse flood victims for costs of domestic flood resilience and prevention measures.

(2) In making those rules the Financial Conduct Authority must have regard to its operation objectives to—

(a) protect consumers, and

(b) promote competition."

This new clause would require the Financial Conduct Authority to make rules requiring insurance companies to participate in the currently voluntary Build Back Better scheme, which was launched by FloodRe in April 2022.

Rachael Maskell: I am indebted to my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) for tabling many of these new clauses in order to address the issue of flooding. However, I will first turn to amendment 133, which I tabled. At the time I tabled it, nobody could have predicted the day on which we would debate it, when temperatures are soaring to the highest the country has ever seen. Nevertheless, that highlights the importance of addressing the issue of drought.

Drought is a serious consideration for the Environment Agency, and it is really important that we are prepared for it. At the moment, we are seeing that, as a country, we are clearly not prepared. With the globe heating up, we know that this is the future, unless there is a serious reorientation around wider policy planning.

We are hearing loud and clear the importance of addressing issues of drought—looking at water supply and soil health, which is vital, and at construction. Planning has a massive impact on flooding as well as on droughts, so it is important that we look at how we move that forward.

It is also important that we look at mitigation of flood risk, which is addressed in amendment 2 and will lead us to the specifics of the new clauses. Scientists are saying today that we are now reaching the point where mitigation may not be possible, and that we will have to consider adaptation, so we are arriving at a very serious juncture in how we prevent, and protect our planet from, further degradation.

10.15 am

I will turn to the new clauses. Ironically, I represent a place that also floods—everything mentioned in the Bill happens in York. We have the ludicrous situation of new developments being built on floodplains without the resilience required to prevent flooding. It is important that we consider three core areas: property flood resilience, flood mitigation and robust mechanisms for waste management in connection with flooding.

Since the Boxing day floods of 2015, I have spent six and a half years building and fighting for resilience in my constituency and in our city. Exorbitant sums of money—£45 million and £38 million respectively—have been spent on flood defences and the Foss barrier. However, the Environment Agency warns that resilience in our city will hold for 17 years before the risk comes again, so there is a short period in which to bring the adaptations to the upper catchment and build the long-term resilience we need.

Although property-level resilience has been put in place, we must understand that new risks are coming and that mitigation is essential. We need to look at how to slow the flow, restore peat, and plant sphagnum moss

and other planting programmes to enrich soils so that they can hold greater quantities of water upstream and water comes downstream more slowly. When flooding occurs and sewage enters people's properties, however, they need extensive decontamination processes, and it can take months to clear and restore buildings, so building resilience is important.

The way in which resilience funding works is an issue, because funding comes from different places. Building back better, which the new clauses call for, is essential, but it is also important that we consider long-term community solutions. One property could take the approach of keeping water out, whereas another could enable flooding but have a quick clear-up. Co-ordination across the board, so that communities are integrated and work together, will be important.

I will address new clause 3. Flood Re was introduced in 2016. That welcome scheme has yielded a massive dividend in my constituency, but there are exemptions, including businesses, leasehold properties and properties built after 2009. Many properties built after 2009 still flood, including in my constituency, so the scheme has not had the impact it was expected to have in deterring the building of non-flood-resilient properties. We must reset the clock to enable such opportunities, including by ensuring that prevention is built into buildings.

Let me turn to new clause 4. I chair the all-party parliamentary group on flood prevention, and when we look at building future resilience, mitigation certification and accreditation schemes have very much been a part of our considerations. We must ensure that the people building resilience into properties are properly accredited. In 2015 and subsequent floods, people came along and said that they would build resilience into properties, but they did not have the qualifications or knowledge to do so. Unfortunately, they did not build in resilience, and people got their fingers burned.

For portable appliance testing, we expect electricians to have the relevant qualifications, and it is essential that, when it comes to flooding, we have people who are flood prevention or resilience certified in order to protect the public. Often, it is public money that is spent on resilience, so it is important that we protect the public purse and ensure that money is spent appropriately. I therefore support the new clause. We are also thinking about the certification of property, because people need to know what they are buying and be sure of its security. This is about maintaining the measures that are put in place and ensuring that resilience is used to its maximum effect.

I support the other new clauses in the group. New clause 6 would address the gaps, so that properties—particularly leasehold properties—are not exempt. It is important because it would address the small and medium-sized enterprise market. There has been a lot of discussion about that in the insurance sector through the Association of British Insurers, which set up the British Insurance Brokers' Association scheme. Although that has improved the situation, it does not address the risk share approach that Flood Re takes, which is important for the residential community. I know that small businesses are looking at that as a way through. If SME properties are in the next tranche to be covered by the flood reinsurance scheme, that would help the industry as well as small businesses. I therefore hope the Minister will look carefully at the new clause.

New clause 7 is about building back better—building back with resilience. That is essential, but, as I said, the money does not always work. First, there is money from Government grants—perhaps under the Bellwin scheme—and DEFRA has now increased its resilience grants to £10,000, so we are talking about significant Government funding. On top of that, there is the money that comes in from the insurance companies and the Environment Agency's community assessed schemes. That money is worked out separately and is not co-ordinated. As a result, there is not necessarily an opportunity to build greater resilience into structures. Co-ordination could protect a micro-community, as opposed to just one or two properties. Therefore, we should look at the modelling that is done on bringing insurance money and Government money together. That could have a significant impact and could mean that the Government pound stretches much further. That is obviously really important for building resilience.

I will end my comments there, but I trust that the Government will support the amendments and new clauses, which are important for communities that experience flooding.

Tim Farron: I am happy to support this group of amendments and new clauses. Flood resilience is of huge importance. We are dealing with extreme weather—today is an example, but there are other days that are extreme in a different way. In my part of Cumbria, in the past 18 years we have had two storms deemed to be one-in-100-year events, and a third that was deemed to be a one-in-200-year event. That does not add up, does it? It is because our weather and our climate are changing. We need to mitigate, prepare and build to protect homes, families and businesses.

Most recently, in 2015 Storm Desmond devastated the town of Kendal as well as many parts of Burneside, Staveley and other communities. The human and economic consequences are vast, and vastly greater than spending money up front to do the right thing in the first place. It is very wise to build into the Bill powers to ensure that neighbourhood development plans and planning controls can bring on board very powerful bodies that otherwise might seek to shirk their responsibility to ensure people are protected. I am thinking in particular of the water companies, which made nearly £3 billion in profit last year, and the extent to which they are compelled to ensure their drainage and other facilities can cope with new development, not just in that small parcel of land but as regards the impact on the wider community.

There is also the work with farmers, who are desperate to be part of the solution, to make sure we retain water in the uplands so that we slow the flow and minimise the impact on communities. The River Kent is one of the fastest-flowing rivers in the country and only 20 miles or so long from source to sea. When floods come they are dramatic, but the water can be down to quite a reasonable level within 24 or 48 hours. It therefore stands to reason that if we can hold back some of that water in the uplands by investing there and supporting farmers to do that, we can save millions of pounds and thousands of people from the terrible experience of being dramatically flooded.

It is about making sure we build in those things in the first instance. As we speak, we are building flood resilience networks in Kendal: both what can be seen by the river

[Tim Farron]

in the town and what cannot be seen up in the hills, where we are seeking to retain the water by tree planting, bunding and other work to slow the flow. We should be doing that sort of stuff in advance, before communities get devastated, as happened to mine. That is why the amendments are important. They are about making sure we build resiliently for the future so that other families do not have to go through what families in my community did in December 2015, with the devastation of soggy, sodden Christmas presents and wrecked Christmas trees on the sides of streets in the estates and people utterly devastated by what they had experienced, unable to get back into their homes for six months or more. Surely it is possible for us to prevent these things. With the right powers and provisions, we can.

Matthew Pennycook: I rise to strongly support this important group of amendments, and I congratulate my hon. Friends the Members for Kingston upon Hull West and Hessle and for York Central on proposing them. It is right that my hon. Friends seek to amend the Bill to ensure that planning rules on flood prevention and mitigation are strengthened and that the planning system responds better to the challenges associated with drought. As has been said, the amendments would not only ensure that we enhance the resilience to flooding of communities across England, but reform how the insurance and reinsurance markets operate in terms of data accuracy and how premiums take into account mitigations and defences, as well as beneficially extending reinsurance to small and medium-sized enterprises.

Although I am more than happy to acknowledge the positive steps taken by the Government on flood prevention and mitigation in recent years, such as the publication of the adaptation communication 18 months ago and the investment allocated to improving flood defences up to 2027, it is clear that there has been an absence of cross-departmental working when it comes to addressing the issue explicitly in the Bill. When the adaptation communication was published in 2020, it promised that climate mitigation would be integrated across Government Departments, including, most importantly in this case, infrastructure and the built environment. It is therefore problematic that the Bill lacks any explicit reference to flood mitigation and, indeed, references the term "flood" only once in relation to what charging authorities may spend the proposed infrastructure levy on. It is laudable that mitigating and responding to climate change has been included in the Bill as a new requirement for development plans and spatial development strategies. However, the Bill as a whole does nowhere near enough to address the specific issue of the susceptibility to flooding experienced by so many of our communities.

The risk and frequency of flooding will only increase as global temperatures rise and its effects, as hon. Members will know, can be devastating, not only in terms of its impact on people's lives but on businesses and the economy. How can we plan, for example, to respond to the increased frequency and potency of flooding events when surface water flood hazard maps for the UK have not been improved upon since 2013? They urgently need updating. Indeed, that issue speaks to a wider concern, which is the dearth of accurate, up-to-date and publicly available data about flood prevention and risk. If accepted, new clause 3 would ensure that data, so that property owners could better plan for surface water flooding in areas at risk and, importantly, insurers could more accurately assess risk and therefore insurance premiums. There is widespread support in the sector for the amendments for that very reason.

When it comes to insurance, the introduction of a certification and accreditation system for flood prevention and mitigation improvements, which new FCA rules would ensure were taken into account in setting rates, is an entirely sensible reform that should help lower premiums. I hope the Government will consider accepting new clauses 4 and 5 on that basis.

10.30 am

On reinsurance, although the Flood Re scheme has always been designed to cover residential properties, small businesses are also struggling to get insurance in high flood risk areas. There is no equivalent scheme to help small and medium-sized enterprises access insurance, and the consequences of that can be severe. As well as their not being able to claim for losses if there is a flood, it can create difficulties in getting loans, managing cash flow, acquiring property and entering into contracts. New clause 6 would address that eligibility issue. Again, it is an entirely sensible proposal. Building standards and setting consistent approaches to flood resilience and defences across local authorities cannot be a matter for the Department for Environment, Food and Rural Affairs alone; it requires a level of co-ordination and cross-Government working.

New clause 2 simply requires the Government to set minimum standards for flood resilience, flood mitigation and flood waste management and building regulations. Again, that is an entirely sensible measure that the Government should have no problem accepting. I hope the Minister will consider this group of amendments carefully. If he will not accept them today, as I suspect, will he at least use the summer to reflect on whether the Government can introduce amendments of their own that achieve the same ends? More generally, could he consider what more the Bill could do to strengthen flood prevention and mitigation rules? The absence of any concrete proposals in the Bill on these important matters is a deficiency.

Mr Jones: I fully understand why flooding is a matter of particular importance to the hon. Members for Kingston upon Hull West and Hessle and for York Central, as well as other hon. Members, given the flood risk in many constituencies and the devastation caused by flooding. It should concern us all across the House. Although they are linked by that concern, it makes sense to deal with each of the amendments in turn rather than all together.

I take amendments 2 and 133 first: since 2009, climate change adaptation and mitigation has been a key part of the planning system. The management and mitigation of flood and drought risks is a central component of that. We are already strengthening that through the Bill. Clause 88 amends existing legislation to put beyond doubt that neighbourhood planning groups should consider climate change adaptation and mitigation.

Furthermore, to support communities, in 2020 the Centre for Sustainable Energy published a guide to policy writing and community engagement for low-carbon

neighbourhood plans, which covers flood and drought risk policy as well as mitigation techniques and infrastructure that they might wish to consider in their plans. Specific reference to flooding and drought in that provision would not strengthen the commitment but might unintentionally undermine focus on other aspects of climate change adaptation and mitigation. Our view, therefore, remains that the duty is most effective when it takes all the causes and effects of climate change together.

On new clause 2, managing flood risk is a Government priority. We are investing £5.2 billion to better protect 336,000 properties, alongside a range of actions to increase resilience to flood risk. Statutory guidance on the building regulations already promotes the use of flood resilient and resistant construction in flood prone areas. However, the building regulations system does not deal with the whole interconnected system of responsibility for managing flood risk. Drainage systems for new developments are already required to be built to a standard that minimises flooding. Those duties sit outside the building regulations system.

Furthermore, the national planning policy framework already makes it clear that inappropriate development in areas at risk of flooding should be avoided. Where necessary, there is an expectation that a development should be made safe for its lifetime without increasing flood risk elsewhere. In combination, I hope hon. Members will agree that the effect of the new clause is already provided for in wider systems in place for flood mitigation and protection.

Similarly, on new clause 3, we agree that communities should have access to the information they need to manage and prepare for their level of flood risk. That is why the Environment Agency publishes flood risk data and maps for England. Lead local flood authorities are also already required to have a strategy for managing flood risks in their area, which must include an assessment of local flood risk. All that information is already openly available to both insurers and householders. As such, I hope that hon. Members will agree that new clause 3 would not add to the existing provision of data.

Again, I hope the Committee will not be surprised that we agree with the intention behind new clauses 4 and 5. That is why, in July 2021, we committed to publishing a property flood resilience road map by the end of 2022 to ensure that all relevant bodies are playing their part, and that consumers have assurance about the quality of products and their installation.

The road map will set a national, strategic policy framework for property flood resilience and set out our—and the industry's—approach to addressing the barriers to property flood resilience uptake. That includes exploring the best approach to ensure that property flood resilience professionals undertake work that meets industry standards, and establishing mechanisms to collect the evidence insurers need to recognise property flood resilience and factor it into their premiums.

As I have already said, we are clear that inappropriate new development in floodplains should be avoided, and must be made safe and resilient where they have to occur, without increasing flooding risks elsewhere. That is why Flood Re does not extend to homes built after 2009. Similarly, Flood Re was designed to provide available and affordable insurance for households. It does not cover businesses.

Business insurance operates differently to household insurance; it is often more bespoke, based on the individual nature of the business. In addition, Flood Re is funded via a levy on household insurers. Expanding its scope to cover businesses would require a new levy on businesses, which could result in businesses and therefore customers across the country subsidising profit-making organisations located near rivers or the coast, often to their advantage. That is one of the delicate issues that must be considered. Although it is undoubtedly an issue for some, there is no evidence of a systematic problem in accessing insurance for businesses with high flood risks. For businesses that experience problems, a number of innovative products are being offered to businesses by insurers.

Finally, on new clause 7, we have made important changes to the Flood Re scheme, helping to drive the uptake of property flood resilience. Regulations came into force in April that allow Flood Re to pay claims from insurers who pass flood risk on to the scheme. That includes an amount of "resilient repair", up to a value of £10,000 over and above the cost of like-for-like repairs, to enable homeowners to return to their homes more quickly following a flood and to reduce the cost of future claims.

Build back better has deliberately been introduced on a voluntary basis. We aim to drive a cultural shift across the insurance market, raising awareness and demand for property flood resilience and helping to capture evidence on the benefits of property flood resilience to support future changes. Hon. Members may also be aware that customers of insurers covering more than 50% of the market are already able to benefit from Build Back Better. We continue to encourage more household insurers to participate in the scheme. In light of those assurances and explanations, I hope that hon. Members will be willing to withdraw the amendments.

Rachael Maskell: I am grateful for the debate. I thank the hon. Member for Westmorland and Lonsdale for highlighting the importance of the upper catchment management work, which is so necessary for mapping what will happen across other communities, and the Environment Agency's commitment and the work it is doing in that arena.

My hon. Friend the Member for Greenwich and Woolwich hit the nail on the head when he talked about the importance of cross-governmental working, which is clearly not at an optimum at the moment when addressing issues around flooding. While the Minister has talked through a number of steps the Government are taking, I refer him back to the 2016 national flood resilience strategy, which highlighted the importance of co-ordination across Government and of ensuring that resilience was built into the system. That is not happening at the moment. As much as policy may aspire to that, it has further to go. The amendments are therefore still relevant as the Bill does not meet the requirements of the communities that currently flood, and those that will flood in the future as we see weather patterns change and risk increase.

I am not planning to press the amendment to a vote, but I hope the Government will reflect on it, and on my amendment about drought, because this is a significant and serious issue. Right now we recognise that as we move forward we need to build in how we have sufficient water supply. That will be increasingly important. I

[Rachael Maskell]

reserve the right to bring the issue back up on Report, and to give the opportunity to my hon. Friend the Member for Kingston upon Hull West and Hessle to table her amendments too. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Matthew Pennycook: I beg to move amendment 110, clause 88, page 95, line 17, at end insert—

"(5) After subsection (4) insert—

'(4A) A neighbourhood development plan which is in effect on the day on which section 88 of the Levelling-up and Regeneration Act 2023 comes into force may remain in effect contrary to the provisions of that section no longer than until the end of the period of five years beginning on the day on which that section comes into force.'"

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

Clause stand part.

Clause 89 stand part.

New clause 35—*Report about uptake of neighbourhood development plans*—

"(1) Section 38A of PCPA 2004 (Meaning of "neighbourhood development plan") is amended as follows.

(2) After subsection (11C) insert—

'(11D) The Secretary of State must prepare and publish an annual report on the uptake of neighbourhood development plans. The report must, in particular, set out—

(a) the uptake of neighbourhood development plans in less affluent neighbourhoods,

(b) the uptake of neighbourhood development plans in urban neighbourhoods, and

(c) the steps that Government are taking to increase this uptake.'"

Matthew Pennycook: Statutory neighbourhood plans became part of the system in 2011 when they were introduced under the Localism Act 2011 as a formal part of the development framework. The concept of neighbourhood planning is far from problem free, but we support it in principle as an important means of giving communities a greater say in where future development takes place, how it is designed and what infrastructure is provided with it.

To the extent that it enables communities better to shape development in any given area, neighbourhood planning can—although it is by no means always the case—increase public engagement, reduce the number of objections to planning applications and boost housing supply over and above local authority targets. As the Minister noted previously, neighbourhood plans can also provide communities with an important tool to mitigate the impact of acute housing pressures in their localities—for example, on the issue of excessive rates of second-home ownership and the marked growth of short-term and holiday lets that we have considered a number of times.

Clause 88 is a straightforward one in that it merely confirms the statutory role of neighbourhood planning and sets out a list of the policies and requirements that a neighbourhood plan may include. We welcome that confirmation and clarification, as well as the sensible new requirement set out in proposed new subsection (2B) for the qualifying body to design its neighbourhood plan, so far as it considers it appropriate, in such a way that it contributes to the mitigation of, and adaptation to, climate change.

I wish to raise two specific issues with the Minister, one that relates directly to the implications of the clause for existing neighbourhood plans and another that relates to the future of neighbourhood planning more widely. The first issue concerns potential conflict between a neighbourhood plan and a national development management policy. As the Minister would expect given the arguments we have set out in previous debates, we take issue with proposed new subsection (2C)(b) under clause 88, which stipulates that a neighbourhood plan cannot be inconsistent with any NDMP. However, given that I have set out the Opposition's reasoning on that issue in considerable detail in relation to both clause 83 and schedule 7, and proposed new paragraphs 15(c) and 15(ca), I do not intend—the Minister will be relieved to hear—to rehearse our arguments once again in the specific context of neighbourhood plans. I do want to know what will happen in the case of any one of the 1,061 neighbourhood plans, which have already been approved via referendum, that turn out not to be consistent with an NDMP published in the future.

10.45 am

Amendment 110 probes the Government on that scenario by suggesting that it would be sensible to insert a new subsection into clause 88, making it clear that a neighbourhood development plan that is in effect on the day on which that section of the Act comes into force has a grace period of five years to be brought into conformity with the relevant national development management policy. Given the effort that goes into producing and securing approval for a neighbourhood plan, we believe that a grace period of that length is entirely reasonable. I look forward to the Minister rising to say that he will accept the amendment—I live in hope—but if he will not, I ask him to reassure us regarding what will happen in cases where existing neighbourhood plans come into conflict with future NDMPs.

My second issue relates to the take-up of neighbourhood plans. As we discussed during the debate on new neighbourhood priority statements, all the evidence suggests that the vast majority of neighbourhood plans made to date have emanated from more affluent parts of the country, where people have the time and resources to prepare and implement the plans, rather than from less affluent areas and more complex urban environments. The Government accept that that is a problem and clearly believe that neighbourhood priority statements are a means of addressing it, but in our view those statements cannot be the only means of doing so. More could and should be done outside the legislative process to expand and support community involvement in planning decisions: for example, the Government could strengthen and expand the neighbourhood planning support programme.

We also believe that the objective of boosting the take-up of neighbourhood plans in deprived and urban areas should be included in the Bill. New clause 35 would achieve that by inserting into the Bill a requirement that the Secretary of State

"prepare and publish an annual report on the uptake of neighbourhood development plans",

including what steps the Government are taking to increase uptake in those areas where neighbourhood plans are rarely to be found at present. It is not an onerous requirement by any means, and is fully in line with Government thinking on this important matter, so I look forward to the Minister telling me he can accept it without reservation.

Mr Jones: I understand that the hon. Member for Greenwich and Woolwich is keen to ensure that existing neighbourhood plans continue to be recognised in the reformed system, but I have to disappoint him by saying that I do not consider the amendments to be necessary. Clause 195 gives the Secretary of State the power to set out transitional and saving provision in regulations. The Government's intention is to use those powers to limit disruption for communities preparing a neighbourhood plan under the current rules, and to ensure that they continue to have a role in decision making in the new system. We have listened to what Members have said about potential transitional arrangements, and we will in due course set out details of how we intend to transition to the new system of neighbourhood plans.

I fully agree with the hon. Member that more can be done to increase the uptake of neighbourhood planning in urban and deprived areas, but I do not agree that the amendment is necessary to achieve that goal. The Government are already taking action to increase uptake in such areas. New section 15K of the Planning and Compulsory Purchase Act 2004, inserted by schedule 7, introduces neighbourhood priority statements, which will provide communities with a simpler and more accessible way to participate in neighbourhood planning. The new neighbourhood planning tool will be particularly beneficial for communities in urban and more deprived areas that often do not have the capacity to prepare a full neighbourhood plan. In addition, we are running a pilot whereby we are able to provide additional funding to a select number of local authorities in under-represented areas to enable them to provide more help to neighbourhood planning groups in getting a neighbourhood plan in place.

I hope that with those reassurances, the hon. Member for Greenwich and Woolwich will feel comfortable withdrawing his amendments.

The Chair: Mr Pennycook, are you going to continue to live in hope?

Matthew Pennycook: I will continue to live in hope—we may get there one day. I am grateful for the Minister's response; I noted carefully what he said about transitional arrangements, and I think I understood it. However, if he will allow me, I will perhaps at come back to him a later date to seek further clarification on precisely how an existing approved neighbourhood plan could be brought into line with future NDMPs, because there remains a slight concern about the implications.

On take-up, I am disappointed, as the Minister would expect. He will not accept what is, as I said, not a particularly onerous requirement to produce an annual report that sets out progress towards the objective. However, I hear what he said about pilots, and I am very interested to see the work that they produce. The key point, which I think he accepts, is that neighbourhood priority statements for less affluent and complex urban environments cannot be the only means of driving uptake. To drive uptake, we must do much more in a variety of areas. However, he has partly reassured me, and on that basis I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 88 ordered to stand part of the Bill.

Clause 89 ordered to stand part of the Bill.

Clause 90

Requirement to assist with certain plan making

Matthew Pennycook: I beg to move amendment 104, in clause 90, page 96, line 15, leave out "public".

This amendment, together with Amendments 105 to 108, would enable plan making authorities to require a prescribed private body to assist the authority in relation to the preparation or revision of a relevant plan by the authority.

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

Amendment 105, in clause 90, page 96, line 18, leave out "public".

See explanatory statement to Amendment 104.

Amendment 106, in clause 90, page 96, line 23, leave out "public".

See explanatory statement to Amendment 104.

Amendment 107, in clause 90, page 97, line 4, leave out "public".

See explanatory statement to Amendment 104.

Amendment 108, in clause 90, page 97, line 5, leave out

"and certain of whose functions are of a public nature".

See explanatory statement to Amendment 104.

Matthew Pennycook: Clause 90 inserts new section 39A into the Planning and Compulsory Purchase Act 2004, setting out a requirement on specific bodies to assist in the plan-making and plan-revising process. The explanatory notes to the Bill make clear that the clause is intended to support the more effective gathering of the information required for local planning authorities that produce local, strategic, supplementary and other forms of plans.

It appears to us that the clause is the Government's answer to the question of how to sustain engagement and co-operation between plan-making authorities and relevant bodies after the removal of the duty to co-operate, which is an issue that we debated in relation to schedule 7. However, it is not at all clear how the clause interacts with the Government's stated intention to introduce a "more flexible alignment test" in planning policy. I would be grateful—again, we have touched on the issue—if the Minister could set out in more detail precisely how the clause and that forthcoming alignment test will ensure that there is sufficient engagement and input in the plan-making process on the part of those bodies that are important contributors to the process of delivering infrastructure at local or strategic levels.

That question aside, we welcome the new duties that the clause places on infrastructure providers to engage with the production of local plans, which is an entirely sensible measure. However, we question why the prescribed bodies referred to in the clause are confined to those that are public. If one considers even for a moment

[Matthew Pennycook]

which types of body it might be useful and necessary for a plan-making body to engage in terms of the information required for the production of a plan, it quickly becomes apparent that they would include private infrastructure providers—for example, private utility companies.

Amendments 104 and 105 to 108 would revise clause 90 in a way that would enable plan-making authorities to require prescribed private bodies to assist in the plan-making and plan-revising process. They achieve this simply by clarifying that prescribed bodies need not be public in terms of their ownership or have functions that are entirely of a public nature. The Minister will no doubt surprise me with the ingenuity of his reasoning as to why the amendment is unnecessary, but I cannot imagine what reason the Government have to oppose it. I look forward to the Minister's response.

Tim Farron: This is a really useful amendment, and I hope that the Minister takes it seriously. Utility companies have been mentioned already. When I think of Openreach, or United Utilities, a water company in my part of the world, I think about the impact that these businesses have on our communities. The infrastructure that they oversee and are responsible for is fundamental to the wellbeing of those communities. For example, we have seen sewage on the streets in places such as Staveley and Burneside, and the answer from United Utilities is, "Put it a bid, and we'll look at it in our next-but-one funding round." Surely communities ought to have the ability to say to United Utilities or other water companies, or to broadband providers and other such bodies, that their access to the greater public realm and their almost monopoly position in the market mean they have a responsibility to those communities, which will be overseen by those in local authorities who have the right to make these decisions.

It is right that private bodies should be included; it should be specified in the clause. The amendment would help communities like mine to bring in hugely powerful and very wealthy outfits such as Openreach and United Utilities, so that they perform the role they should perform—to provide for every part of our community—and do not take advantage of their power and strength over the relative weakness of local authorities.

The Chair: Minister, are you going to surprise us?

Mr Jones: As you have probably gathered during Committee sittings, Mr Paisley, I am not necessarily one for surprises, especially on such a hot and sunny day.

The Government support giving local authorities the full range of powers necessary to prepare robust plans. I can offer reassurance that that is our intention. The power as drafted will apply to those private sector bodies that authorities are likely to need to involve in plan making. Clause 90(6) sets parameters for which bodies can be prescribed. It requires them to have functions "of a public nature." That might, for example, include utilities companies, which are privately owned but serve an important public function and should be proactively involved in the plan-making process. The clause does not exclude relevant private bodies where they are involved in public provision, but the amendments potentially extend the requirement to private landlords, voluntary groups and unrelated businesses, which would be disproportionate where those bodies do not have public functions that are likely to be relevant to plan making.

On alignment policy, the policy will require local planning authorities to engage with neighbouring authorities and bodies involved in their area. That will be covered in the future national planning policy framework. The power places the obligation on the bodies involved. I hope that with those reassurances the hon. Member for Greenwich and Woolwich will feel able to withdraw the amendment.

Matthew Pennycook: To surprise the Minister—it is the other way round—I am entirely reassured by his response. The language in the clause is about allowing for private infrastructure companies to be involved in the plan-making process in terms of the provision of information. That is what I took from what he said. I appreciate what the Minister said about the potential disproportionate impact from drawing in other types of bodies; that was not the intention. On that basis, I am content and beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Rachael Maskell: I beg to move amendment 135, in clause 90, page 96, line 30, at end insert—

> "(3A) Where regulations under this section make requirements of a local authority that is failing to deliver a local plan in a timely way, the plan-making authority must consult the local community on the contents of the relevant plan.".

This amendment would require, in the event of a local authority failing to deliver a local plan in a timely way, those taking over the process to consult with the community.

I will not labour the point because we have already had extensive discussions about the need to break the deadlock in the planning system. York is a very live example of that need: the local plan is going through a very painful process and we are absolutely determined to see the plan amended rather than being imposed. To break the deadlock and to be able to move forward, it is right that communities get a greater say. I do not plan to push the amendment to a vote today, but I trust that the Minister is hearing the importance of being able to engage with communities in order to get the right outcomes in the planning system, particularly where there is deadlock and we are on the naughty step, or at the special measures stage of the process.

Mr Jones: The amendment would modify clause 90 to support the more effective gathering of information required for authorities producing plans. However, its substance relates more to the plan intervention powers in proposed new section 15HA of the PCPA 2004, as inserted by schedule 7, and the importance of community engagement in plan making.

It is vital that communities are given every opportunity to have their say on draft local plans and supplementary plans. The English planning system already gives communities a key role so that they can take an active part in shaping their areas, and in doing so build local pride and belonging. We do not seek to challenge that; in fact, we are strengthening it through the Bill, and I have set out elsewhere how this will be achieved. Intervention powers have been used only sparingly in the past, and

that is expected to remain the case under the plan-making system. However, they act as an important safety net and ensure that all areas can benefit from having an up-to-date local plan in place.

11 am

I would like to reassure the Committee that if the Secretary of State or a local plan commissioner were ever to take over plan preparation by using the intervention powers in proposed new section 15HA of the PCPA, the plan would need to undergo public consultation, just like any other plan. Like other procedural requirements, this will be set out through secondary legislation using the powers set out elsewhere in the Bill. Incorporating the amendment into clause 90 is therefore unnecessary. I hear that the hon. Member for York Central will not press the amendment to a Division, but I hope that I have been able to reassure her on this occasion.

Rachael Maskell: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Rachael Maskell: I beg to move amendment 134, in clause 90, page 97, line 8, after "activities" insert—

"undertaken not more than 5 years from completion of the plan".

This amendment seeks to ensure that material used in plans would not be older than 5 years old to still have relevance to the planning process.

In previous discussions, I have stressed the importance of ensuring that we have relevant and up-to-date information, made available in a timely way, to display the realities of situations as they stand, and we have suggested a timeframe for work around that. Circumstances change in the planning system, and I can think of a number of things that have changed in my own community—whether it is around transport planning in the area, population demographic changes or, indeed, situations like the one we are dealing with at the moment, where we are seeing a real change in the number of displaced people.

We think about the Afghans we cannot house: 12,000 of them have been in hotels for a year now. We were discussing the climate crisis earlier, and we know that 100 million people are displaced across our planet. Some of them will come to the UK and need housing. Things such as the Afghanistan crisis suddenly shift the dial, yet we do not have housing for these people. That is why it is so important to ensure that we are not relying on old information but have relevant and up-to-date information in our planning system, so we can break the deadlocks that can occur by being dependent on old data. The purpose of the amendment is to ensure that the planning system is more reflective of the now, as opposed to the past—a point that I have made a number of times. Unfortunately, that impacts on the outcome of the planning process.

Mr Jones: Clause 90 is about helping planning authorities to gather the information they need to plan effectively. It does that by requiring those organisations responsible for vital local services to assist in creating plans. We want to ensure that planning authorities can receive that assistance across a range of scenarios and issues.

I understand that the amendment is motivated by a desire to ensure that local plan evidence is up to date. Unfortunately, its effect would be to limit planning authorities use of this power to create effective plans. The amendment applies a blanket five-year time limit on the use of the power in clause 90 in advance of plan adoption, which makes it insensitive to the circumstances or type of information involved. There are many cases where it would be vital to include information gathered more than five years before a plan was adopted. For example, the character study of a conservation area might well be relevant for more than five years, as we have discussed in relation to the hon. Member's constituency. The same goes for a utilities assessment based on information from energy networks, which work on different, longer term business planning cycles. If, for instance, the preparation of a local plan was delayed for any reason, the arbitrary time limit would prevent more information being taken into account, as the power needed to gather it could not be used.

The Government agree, however, that local plans should be backed by relevant and up-to-date evidence, which is why the evidence supporting plans will continue to be tested at the public examination. That is the place where any issues with the relevance of evidence can be addressed. I hope that with these reassurances, the hon. Member will seek to withdraw the amendment.

Rachael Maskell: I hear what the Minister is saying, but he raises an important point about the different business planning cycles that involve different factors. There is certainly a need for greater co-ordination to ensure that the relevant data is available in a timely way so that it is more synced with the planning process. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 90 ordered to stand part of the Bill.

Clause 91 ordered to stand part of the Bill.

Schedule 8 agreed to.

Ordered, That further consideration be now adjourned. —*(Gareth Johnson.)*

11.7 am

Adjourned till this day at Two o'clock.