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Public Bill Committee

LEVELLING-UP AND REGENERATION BILL

Twenty Fifth Sitting

Tuesday 18 October 2022

(Afternoon)

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Saturday 22 October 2022

The Committee consisted of the following Members:

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

† Bradley, Ben *(Mansfield)* (Con)
† Cartlidge, James *(South Suffolk)* (Con)
† Davison, Dehenna *(Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities)*
† Farron, Tim *(Westmorland and Lonsdale)* (LD)
Fletcher, Colleen *(Coventry North East)* (Lab)
Gibson, Patricia *(North Ayrshire and Arran)* (SNP)
† Huddleston, Nigel *(Lord Commissioner of His Majesty's Treasury)*
Jupp, Simon *(East Devon)* (Con)
† Lewell-Buck, Mrs Emma *(South Shields)* (Lab)
† Maskell, Rachael *(York Central)* (Lab/Co-op)
† Moore, Robbie *(Keighley)* (Con)
† Mortimer, Jill *(Hartlepool)* (Con)
† Norris, Alex *(Nottingham North)* (Lab/Co-op)
† Pennycook, Matthew *(Greenwich and Woolwich)* (Lab)
† Rowley, Lee *(Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities)*
† Smith, Greg *(Buckingham)* (Con)
† Vickers, Matt *(Stockton South)* (Con)

Bethan Harding, Kevin Maddison, *Committee Clerks*

† attended the Committee

Public Bill Committee

Tuesday 18 October 2022

(Afternoon)

[Sir Mark Hendrick *in the Chair*]

Levelling-up and Regeneration Bill

2 pm

The Chair: Welcome to the afternoon sitting. We now come to new clauses 2 to 7, which have already been debated. Does Rachael Maskell wish to move any of the new clauses formally?

Rachael Maskell (York Central) (Lab/Co-op): We wish to bring them back later in proceedings, at which point we will press them to a Division.

New Clause 8

Industrial support reporting

"(1) The Secretary of State must prepare annual reports on—

(a) the rates of the matters in subsection (2), and

(b) the extent to which the fiscal and regulatory framework supports growth in those matters in areas with rates of poverty, unemployment or economic inactivity above the national average.

(2) The matters are—

(a) new factory openings,

(b) investment in new factory equipment,

(c) the introduction of tailored skills-acquisition programmes, and

(d) the creation of manufacturing jobs.

(3) The first such report must be laid before Parliament before the end of 2023.

(4) A further such report must be laid before Parliament in each subsequent calendar year."—*(Mrs Lewell-Buck.)*

This new clause would require the Secretary of State to report annually to Parliament on the rates of, and the extent to which the fiscal and regulatory framework supports, new factory openings, investment in new factory equipment, introduction of tailored skills-acquisition programmes and creation of manufacturing jobs in areas with rates of poverty, unemployment or economic inactivity above the national average.

Brought up, and read the First time.

Mrs Emma Lewell-Buck (South Shields) (Lab): I beg to move, That the clause be read a Second time.

The new clause is tabled in my name and that of hon. Friends and hon. Members right across the House. Time and again, we have heard from the many Ministers who have sat opposite us during our short time considering the Bill that the Government are committed and serious about levelling up, yet time and again, when the Opposition have suggested amendments to support and strengthen those aims, the Government have voted against them. I hope that the Minister will give serious consideration to new clause 8, as it will actually help the Government.

The Government have struggled to define what levelling up means and, consequently, how its success can be measured. In fact, in their own technical annex to the White Paper, when addressing how they will measure boosts in productivity, pay, jobs and living standards—especially in areas where they are lagging—the Government state that further work needs to be undertaken to refine the metric. I humbly suggest that new clause 8 does just that.

Legislating for a reporting mechanism that is linked to a revival in manufacturing will focus the efforts of this and any future Government into job and skills creation, as well as the promotion of the UK as a manufacturing powerhouse once again. For too long our economy has been reliant on the service sector, where jobs can often be low paid and insecure, especially in coastal communities such as mine—coastal communities, towns and cities that were once the manufacturing hubs of the UK.

In the last 12 years we have seen a marked increase in low rates of economic growth, leading to stagnation in productivity and living standards. That is felt most starkly in the north-east, where Hartlepool, Redcar, Cleveland, Darlington, Newcastle, South Tyneside and Sunderland have all seen significantly decreased manufacturing outputs compared with 2010. The consequence has been an over 50% decrease in apprenticeships in engineering and manufacturing technologies in every single north-east local authority since 2010. Manufacturing makes up only approximately 9% of UK output, compared with 17% in the early '90s. In other countries, such as Germany, Japan, Switzerland and South Korea, it is nearly as high as 25%.

The UK brand is still powerful; we have the skills and talents to be making and doing so much more. I do not have all the answers, and I know it can be difficult to create the right environment for manufacturing to thrive, but there are plenty of people smarter than me out there who have thought it through and do have the answers. What we need is a Government who are willing to listen to them, and to be held accountable for any action they take. New clause 8 would do that.

I suspect that the Minister will try to explain why the Government do not support the new clause. I suspect that she will explain that there is already provision for measuring and monitoring the missions in the Bill. However, new clause 8 goes further than that: it cuts across nearly every one of the levelling up missions but, more than that, it targets them directly at the very areas that the Bill claims it wants to level up. I look forward to hearing the Minister's views on the new clause.

Tim Farron (Westmorland and Lonsdale) (LD): It is an honour to serve under your guidance, Sir Mark. I am in full agreement with the hon. Member for South Shields, and I am pleased to be a signatory to the new clause, which gives the Government the opportunity to place real, measurable metrics at the heart of levelling up. It would ensure that we tackle some of the myths about growth, which is a word bandied around an awful lot in this place. Many of us think that so much of what the Government mean by "growth" is just consumer spending on the basis of credit and, therefore, does not really add anything long term to our economy.

The new clause gives the Government the opportunity to have measurables for this country to level up in a way that sees us restore manufacturing and skills to the heart of our economy, ensuring that we have growth that is not only real and sustainable, but distributed equally across the country. It would ensure that the Government can be held to account on whether they achieve that or not.

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Dehenna Davison): It is a pleasure to serve under your chairmanship, Sir Mark. I am grateful to the hon. Member for South Shields for raising this matter. As MPs for the north-east, we are acutely aware of the value of manufacturing. She referred to her manufacturing powerhouse, which the north-east certainly is. We want it to continue to thrive, but we also want the entire UK to thrive when it comes to manufacturing.

Manufacturing is vital to levelling up as it provides high-skilled and well-paid jobs. It is supported by the Government, including through a new £1.4 billion global Britain investment fund, with grants to encourage internationally mobile companies to invest in the UK's critical and most innovative industries.

There are already publicly available official statistics covering matters in the new clause, such as the number of manufacturing jobs by region. We are a little concerned that the new clause would require an additional and disproportionate burden on businesses to collect data in a timely manner at a time when they are already facing unprecedented rising costs, which are particularly acute for manufacturing businesses. We therefore feel that the new clause is unnecessary at this stage.

The hon. Member for Westmorland and Lonsdale talked about having real metrics at the heart of levelling up, which the Government are certainly passionate about. We want to be able to measure levelling up to show that we are successfully delivering it. That is why we are already taking steps to improve the quality of the spatial data that we have available.

My Department has established a new spatial data unit to drive forward the data transformation required in central Government. The unit supports the delivery of levelling up by transforming the way the UK Government gather, store and manipulate sub-national data to underpin transparent and open policy making. On that basis, I think we are reaching for the same end here. I reassure the hon. Member for South Shields that the spatial data unit will be pivotal in this matter. The Department for Education is also working to deliver a better understanding of local area skills demand and supply through its unit for future skills.

Mrs Lewell-Buck: I referred to the fact that the Government's technical annex to the White Paper identifies an issue with measuring and understanding pay, jobs, living standards and productivity. If the Government do not want to put an extra burden on businesses, who will they ask to get this data for them? How will they do that?

Dehenna Davison: This is a matter for our excellent new spatial data unit, which is doing valiant work. It will really help us to understand the scale of the challenges, as well as the progress that we are making against the levelling-up missions. As a Government, we are determined to level up and make progress against those missions.

We are doing a lot of great work in this area and the spatial data unit really will be revolutionary in how we gather this data. For the reasons I have outlined, I ask the hon. Lady to withdraw her new clause.

Mrs Lewell-Buck: I am not entirely convinced, so I will go away and think about it, but I will not divide the Committee on the new clause today. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 12

Duty to have regard to impacts on UK agriculture, agricultural land and domestic food production

"(1) A relevant authority must, when making policy, have regard to any potential impacts of that policy on the resilience of UK agriculture, agricultural land and domestic food production, and seeking to minimise any adverse such impacts so far as is reasonably practicable.

(2) In this section, a 'relevant authority' means—

(a) a Minister of the Crown;

(b) a relevant planning authority (under the meaning in section 81).

(3) In order to comply with the duty under this section, the relevant authority must have regard to—

(a) any impacts the proposal may have on agricultural production in the UK;

(b) any impacts the proposal may have on the area of land available for agricultural production in the UK, including in particular the area of grade 1 and 2 land available for production;

(c) any impacts on the genetic diversity of domestic livestock populations;

(d) the impact on farming in areas of natural constraints including land above the moorland line;

(e) the ability of agricultural producers in the UK to operate competitive businesses;

(f) any impacts on food security; and

(g) any other factor which appears relevant to the relevant authority.

(4) Nothing in subsection (1) requires a relevant authority to do anything (or refrain from doing anything) if doing it (or refraining from doing it) would be in any other way disproportionate to the impact on UK agriculture, agricultural land and domestic food production.

(5) This section does not apply to policy so far as relating to—

(a) the armed forces, defence or national security, or

(b) taxation, spending or the allocation of resources within government;

(c) Wales;

(d) Scotland; or

(e) Northern Ireland."—*(Greg Smith.)*

This new clause requires Ministers of the Crown and planning authorities (with a broad definition) to take account of the impact their policies are likely to have on the resilience of the agricultural sector, agricultural land and domestic food production.

Brought up, and read the First time.

Greg Smith (Buckingham) (Con): I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 13—*Statements about Bills which may impact on UK agriculture, agricultural land or domestic food production*—

"(1) This section applies where a Minister of the Crown in charge of a Bill in either House of Parliament is of the view that the Bill as introduced into that House contains provision which, if enacted, could have an impact on UK agriculture, agricultural land or domestic food production.

(2) The Minister must, before Second Reading of the Bill in the House in question, make a statement under subsection (3) or (4).

(3) A statement under this subsection is a statement to the effect that in the Minister's view the Bill will not have an adverse impact on UK agriculture, agricultural land or domestic food production.

(4) A statement under this subsection is a statement to the effect that—

(a) the Minister is unable to make a statement under subsection (3), but

(b) His Majesty's Government nevertheless wishes the House to proceed with the Bill.

(5) A statement under this section must be in writing and be published in such manner as the Minister considers appropriate."

This new clause requires a Minister of the Crown to make a statement when a Bill is introduced which is likely to have an impact on UK agriculture, agricultural land or domestic food production.

Greg Smith: It is a pleasure to serve under your chairmanship, Sir Mark. While I have no actual technical or financial interests to declare, for the sake of transparency, as we are going to talk about agriculture, I declare that my wife's family are farmers. Conveniently and coincidentally, they are located in the constituency of my hon. Friend the Member for South Suffolk, who is sat next to me.

Some 90% of my constituency's 335 square miles is agricultural land. Day in, day out, we see massive competing demands on that land, from the Agriculture Act 2020, with the environmental land management scheme and demands on farmers for rewilding and various other uses that take land out of agricultural use, to the thousands of acres of solar farm developments being brought forward, the housing demands, and state-sponsored infrastructure projects such as, in my constituency's case, 19 miles of High Speed 2. As a result, when it comes to food security, we have seen our self-sufficiency declining over recent decades. We currently sit somewhere around 60%.

Within the national planning policy framework, there is a presumption to protect the most versatile and productive agricultural land, but I am certain that we in Buckinghamshire are not alone in seeing planning applications approved on said land, be those for housing, solar farms or other projects that I have listed. In the spirit of new clauses 12 and 13, in my name and that of my right hon. Friend the Member for North Thanet (Sir Roger Gale), it is high time we locked into the planning system a legal requirement for planning authorities—indeed, any public authority that considers these matters—to take food security into account when determining those applications.

I think that would take us to a place that is far stronger than the current NPPF presumptions that we see being overlooked and not enforced up and down the country. It would get us to a position that is good for our farmers, where they are not losing hundreds, if not thousands, of acres of their land and can get about their business—the way they make their money—growing crops or raising cattle, sheep or other livestock. It would improve our food security at a time of global pressures, which I need not take up the Committee's time describing, not least the appalling war in Ukraine. It would also give the countryside back its very definition—that it is there primarily for food production. It is there for farmers to work the land to produce the food that we need as a nation.

James Cartlidge (South Suffolk) (Con): My hon. Friend is making an excellent speech; there will be much sympathy for his argument in South Suffolk, where his family reside on a beautiful farm. Was he reassured by suggestions in one newspaper that the Secretary of State for Environment, Food and Rural Affairs is looking at the classification of new solar? At the moment, we are using farmland that could still be productive; we should, potentially, be tightening those rules.

Greg Smith: My hon. Friend is absolutely right; I am reassured that the Government are moving to a place where productive farmland will not necessarily be used for solar in future. However, as it stands, we are trapped in a position where it has become very attractive for land to be taken over for solar use. We see the glossy planning consultants' documents that show sheep grazing underneath the solar panel. That is all very well in year one, when there is still some grass underneath the glass, metal and plastic that form those solar panels, but when a field has been covered so comprehensively in those materials, the grass will not grow, and it becomes very difficult to graze a sheep underneath those panels in year two and beyond. We should call out and challenge the assumption that those planning consultants make when it comes to solar farms in particular.

New clauses 12 and 13 are not specifically about solar, housing, infrastructure or whatever; they are about taking the principles and precedent in the Environment Act 2021, which places a duty on planning authorities to take into account environmental concerns such as biodiversity gain, and extending them to include a requirement to take our nation's food security as seriously as we take environmental concerns, energy security and national security.

2.15 pm

This is the first time I have spoken in Committee since the new Ministers took their place, so I welcome them. I am grateful for the time they and their predecessors—and their predecessors, and their predecessors—have given to debate some of these issues with colleagues who have concerns. I will be so bold as to say that they saved the best until last. I hope that, as we head out of Committee, the Government will look towards Report and bring something back then. As I have said before in Committee, given the commitments made in the Conservative party leadership campaign over the summer, the Bill will, by definition, have to undergo some pretty mighty changes before it re-emerges on Report. We need to find a way of sending the signal to our farmers and to everyone in this country who needs the food that our farmers produce that food security is important, that we can lock it into the planning system and that we can ensure it is considered as a material concern whenever development comes forward on our agricultural land.

Tim Farron: I congratulate the hon. Member for Buckingham on bringing forward these important new clauses. I agree with an awful lot of what he said. Undoubtably, food security is something that our country

has overlooked hugely in recent decades, to our great cost. By some metrics, we produce only about 55% of the food we eat. That is not just a dangerous position to be in given the global situation, but it is morally questionable. As a first-world nation, we will go out and find the food we need, and we will inflate prices on the commodities markets, which will end up increasing prices for the poorest people in the world. On that level, we have a moral requirement to make good use of the land we have to produce food to feed ourselves so that we are not literally starving other people around the world.

It is worth pointing out that 70% of England's land and about 72% of the United Kingdom's land is agricultural. If we are serious about tackling global carbon emissions and improving biodiversity, we have to start with those working in farming. Anyone who thinks we can improve our environment without keeping people farming to deliver those environmental policies is not living in the real world.

The other thing that makes the new clauses attractive to me is that they refer to the responsibilities not just of planning authorities, but of Ministers. When it comes to planning authorities, a requirement to look at the impact of any proposal on food production and farming may sometimes mean that we protect land and do not allow development. It may also sometimes mean that we permit development, in order to allow, for example, diversification. Some level of renewable energy on farm sites is something that farmers actively want, to help shore up their businesses. I agree that we do not want to see whole farms handed over to solar, but many farmers would like the option to use renewables for environmental reasons and to cross-subsidise and diversify their business. Also, sometimes we simply need labour in those communities, and we may need to build some houses to ensure that we have sustainable farming.

I wish that the provisions of these important new clauses were already in law, because they would stop the Government botching the transition from the common agricultural policy, which was far from perfect, to the new ELM scheme. That will see farmers lose 20% of their income by the end of this year, with very little to replace it. Fewer than 2% of the 1,000 farmers in my patch—13 of them—have signed up for the new sustainable farming incentive. The botching of the transition means that farmers will lose their income, and so far they have very little to compensate for it.

However, to botch the unbotching is almost inexcusable. In the last few weeks, the Government have signalled that they might be ready to rip up ELMS altogether, after farmers have spent two years preparing for it. We see foolishness upon foolishness, all of which puts our farmers in a desperate position. They have never been more angry with the Government of the day—and we do not have time to go into the damage being done to our farming community by trade deals. We desperately need to remember, at the heart of policy making, nationally and locally, the importance of farmers and farming to food production and the environment. If the hon. Member for Buckingham were to press the new clauses to a vote, he could count me on his side—I would vote with him.

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Lee Rowley): It is a pleasure to serve under your chairmanship, Sir Mark. I thank my hon. Friend the Member for Buckingham for his introduction to the new clauses and for the work he is doing on this important policy area. We absolutely accept the challenge that he puts to us. He made strong points about the importance of balancing competing demands, all of which are important in isolation and need to be thought through and integrated as best as possible, while recognising that it is sometimes not possible to do everything. The point of Government, both local and national, is to try to ensure that that balance is struck in the best possible way.

I hesitate to go too much into an agricultural discussion, although the hon. Member for Westmorland and Lonsdale was keen to move into that space, but I acknowledge the points that have been made. It is critical that we continue to have food security in the United Kingdom, that consumers have access to good quality, healthy and sustainable food and that domestic producers have a viable business in the long run. Although I do not want to trade figures, the figures I have in front of me state that we produce about 60% of what we eat, and we produce roughly 70% to 75% of what we can produce in this country. Given the problem of dates, times and the like, I recognise that those things move around, although they seem to have been relatively static over the last 20 years. Therefore—to my hon. Friend's point—the question is whether the planning system needs further content and signals so that it is clear that these things can be weighed up more clearly.

At the current time, things are going on elsewhere in Government, particularly around the Agriculture Act, which my hon. Friend referenced. The Act commits the Secretary of State to have regard to the need to encourage the production of food by producers in England and for that production to be done in an environmentally sustainable way. Also in the Agriculture Act is a legal obligation to produce an assessment of food security once every three years. I hope that goes some way towards reassuring my hon. Friend, although I acknowledge that he is also interested specifically in the planning element.

This might be one of the statements that I make regularly over the next few minutes or so, but I am happy to talk to my hon. Friend in more detail about the underlying intent and calls behind his new clause. However, at the current time, I ask him to withdraw it in lieu of further discussions and debate outside after our sitting.

Greg Smith: I welcome my hon. Friend's commitment to keep the conversation going. This is a subject, as right hon. and hon. Members can perhaps understand, that I get very passionate about. I could have a debate on agriculture for as many hours as the hon. Member for Westmorland and Lonsdale could. Our farmers produce the best food in the world, and we have to find the right balance to ensure that they have the land on which to produce it. In the spirit of carrying on the conversation before the Bill reports, I will not push the new clause to a vote, but I urge the Government to keep listening and talking to protect our world-class, best-in-class British farmers. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 14

PROHIBITION OF MANDATORY TARGETS AND ABOLITION OF FIVE-YEAR LAND SUPPLY RULE

"(1) Any housebuilding target for local planning authorities in—

(a) the National Planning Policy Framework (NPPF),

(b) regulations made under any enactment, or

(c) any planning policy document

may only be advisory and not mandatory.

(2) Accordingly, such targets should not be taken into account in determining planning applications.

(3) The NPPF must not impose an obligation on local planning authorities to ensure that sufficient housing development sites are available over five years or any other given period."—*(Greg Smith.)*

This new clause requires a revised NPPF within six months to provide that housing targets are advisory not mandatory and that the five-year housing land supply rule will no longer apply.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 15—*Requirements of the National Planning Policy Framework*—

"(1) The Secretary of State must ensure that the National Planning Policy Framework (NPPF) is in accordance with subsections (2) to (6).

(2) The NPPF must not contain a presumption in favour of sustainable development including where there are no relevant development plan policies, or such policies are out-of-date.

(3) The NPPF must provide for the right for persons to object to individual planning applications.

(4) The NPPF must provide that the Planning Inspectorate may only recommend that local plans not be adopted if—

(a) the consequences of that local plan would be detrimental to the objectives of such plans, and

(b) that local plan is markedly and verifiably atypical in comparison to other such plans.

(5) The NPPF must permit local planning authorities to impose bans on greenfield development in their areas, other than in exceptional circumstances, where—

(a) greenfield areas make a marked contribution to the local economy through leisure or tourism, and

(b) where sufficient brownfield land is likely to be available to meet housing needs identified in neighbourhood and local plans.

(6) The NPPF must include specific measures designed to support the creation of additional retirement homes, sheltered accommodation for the elderly and facilities for care homes.

(7) This section comes into force at the end of the period of six months beginning on the day on which this Act is passed."

This new clause requires a revised NPPF within six months to provide that, among other things, there should be no presumption of sustainable development.

Greg Smith: This should be relatively straightforward, given the commitments that my right hon. Friend the Prime Minister made in the leadership election during the summer. I believe that she described her approach as ending the Soviet-style, top-down housing targets that exist in the United Kingdom at the moment.

New clause 14, in the name of my right hon. Friend the Member for Chipping Barnet (Theresa Villiers), gets to the nub of the matter by getting rid of mandatory targets and leaving local areas free to decide what housing development, commercial development, infrastructure and so on they need. It also gets rid of something that has been an aberration in the planning system for far too long. I have talked to local government colleagues up and down the land, and the five-year land supply rules have got in the way of many areas deciding exactly what is right for them and of their ability to be dynamic.

The new clause gets to the nub of these issues. I hope that the Government can listen and that we can move forward by adding to the Bill either this new clause or whatever the Government wish to bring forward to meet the Prime Minister's commitments over the summer.

Lee Rowley: Again, I am grateful to my hon. Friend the Member for Buckingham for tabling the new clauses and for articulating the rationale and reasoning for them. I think he and everybody else present would accept the principle that these would be significant changes, whatever people's views about some of the important points he highlighted, such as the five-year housing land supply rules, local plans and the NPPF. The appropriate balance needs to be struck in each case, and those debates could detain the Committee for many hours, with extremely strongly held views in many places. Each of us will have—as I do and as my hon. Friend the Member for Buckingham and my right hon. Friend the Member for Chipping Barnet, who is not on the Committee, do—individual recollections and experiences of the implications of the NPPF, the five-year housing land supply rules and other things for their constituencies and more broadly.

I recognise and acknowledge the significant underlying element of change that is proposed in the new clauses, the significant move away from the current approach, and the balance that needs to be struck. I also acknowledge that, as part of the leadership campaign, my right hon. Friend the Prime Minister made a series of statements over the summer about looking again at this area and bringing forward new proposals. However, I hope that my hon. Friend the Member for Buckingham will be content on this occasion to emphasise the point in his speech, which was that we should either look at the new clauses or bring forward additional proposals. I hope we can bring forward proposals in due course that he will have the opportunity to comment on, so I ask him to withdraw the new clause, pending further discussions in advance of the Bill coming back at a later stage.

Greg Smith: I am grateful to my hon. Friend the Minister for those commitments. The statements made over the summer were very clear, and I look forward to working with the Government on their proposals or to put new clause 14 into the Bill on Report.

New clause 15 goes to the heart of localism and the same issue that new clause 14 talks about: the ability of local communities, rather than Whitehall, to decide. Given the commitment that the Minister made, I am equally content that we continue the conversation, which we will come back to on Report. For the time being, I am content not to press new clause 15.

I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn

New Clause 16

CHARACTER TEST: DETERMINATION OF APPLICATIONS

2.30 pm

"(1) Section 70 of the Town and Country Planning Act 1990 (determination of applications: general considerations) is amended as follows.

(2) After subsection (2)(b) insert—

'(ba) the applicant's character as developer, including their previous compliance with planning rules and conditions, their record of engagement with planning authorities and delivery of developments, and accounting for whether they have made multiple, repetitive applications, and'."—*(Greg Smith.)*

This new clause would amend section 70 of the Town and Country Planning Act 1990 to require the local planning authority to have regard to an applicant's character and prior record of engagement and delivery in dealing with an application for planning permission.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 37—*Prohibition on development for prescribed persons*—

"(1) The Secretary of State may by regulations prohibit a person of a prescribed description from carrying out development of land in England (or a prescribed description of such development).

(2) The descriptions of persons which may be prescribed include in particular persons who—

(a) have been found to be in breach of planning control on a development undertaken by them, and

(b) that breach has not been rectified.

(3) A prohibition under the regulations applies despite planning permission (or any prescribed description of planning permission) having been granted."

Greg Smith: New clause 16 is relatively straightforward. It addresses an issue that arose from talking to Conservative and other councillors up and down the country in areas where rogue development—build now and seek to apologise or get retrospective planning permission later—has caused significant issues. The new clause would give the planning authorities the ability to take into account an applicant's character, such as whether they have previous form on rogue or illegal development, when considering any fresh applications. It is relatively straightforward and aims to give our planning authorities more ability to protect their communities from rogue development.

Matthew Pennycook (Greenwich and Woolwich) (Lab): It is a pleasure to serve with you in the Chair, Sir Mark. New clause 37 in my name and that of my hon. Friends, is, like new clause 16, a simple amendment. I will not devote too much time to making the case for it.

We all agree that it is essential that the integrity of the planning system is upheld, not only to ensure that unauthorised development cannot blight local communities, but to maintain public trust and confidence in the planning decision-making process. When considering chapter 5 of the Bill, we had a number of debates about how planning enforcement might be improved as well as better resourced. A number of members of the Committee, including my hon. Friend the Member for South Shields, have spoken at length about the impact that rogue developers can have on communities across the country.

New clause 37 seeks to probe the Government on a specific issue of concern. As the hon. Member for Buckingham has just made clear, at present it appears that it is entirely permissible for an individual developer to consistently breach planning control, with the only risk being that they face enforcement action in respect of that specific breach. We believe that it is right that enforcement of planning law and regulation is based on the principle of proportionality and that when it comes to cases of alleged unauthorised development, local authorities have discretion to determine how the breach can be remedied. However, we also believe there is a strong case for changing the law so that certain categories of proscribed persons, in particular those who breach planning control and make no efforts to rectify those breaches, can be prohibited from carrying out development of any kind.

New clause 37 would allow that sanction to be applied to those who persistently offend when it comes to contraventions of planning law and regulation. Its objective is the same as new clause 16, on a character test and the prior record of an applicant. Adopting new clause 37, or a version of it, would reduce the burden on local authorities that are attempting to deal with the minority of rogue developers of this kind, and would also strengthen the integrity of the system overall. I hope the Government will give it serious consideration.

Lee Rowley: I thank my hon. Friend the Member for Buckingham and the hon. Member for Greenwich and Woolwich for their new clauses. I am extremely sympathetic to some of the concerns. I agree with the hon. Member that ensuring the integrity of the planning system is paramount. We will all have examples from across the country of where development does not occur in the way that is sanctioned, or before it is sanctioned, and then an attempt is made to gain planning permission retrospectively by those who are not necessarily following either the letter or the spirit of the rules as set down. It is extremely frustrating.

By the same token, we have to tread extraordinarily carefully here. There are a set of principles, which my hon. Friend and the hon. Member acknowledged in their speeches—that the planning system is based on a specific application, which should be judged accordingly on its merits. It is challenging to bring forward a form of character test within those principles, although I recognise that there is an issue here that many communities up and down the land are seeing.

As those who have debated it for longer than I have will know, the Bill already includes a significant package of measures that will help tackle persistent abuses of the system. Those will speed up the enforcement process, restrict the circumstances in which an appeal can be lodged, increase fines for non-compliance and discourage intentional unauthorised developments that rely on a slow enforcement timescale. The Government acknowledge some of the concerns and are trying to find appropriate levers with which to approach them.

While offering a commitment to continue to talk about this issue, although wanting to be being clear that it is extremely difficult in terms of legislation, as my

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hon. Friend and the hon. Member acknowledged, the Government are not minded to accept the new clauses. I therefore ask both Members not to press them.

Greg Smith: I welcome the commitment my hon. Friend has just made to carrying on the conversation. I accept the complexity, in a system that looks at individual cases, of bringing in a more universal test. However, there are other areas of life where people—for example, those with particular criminal records—are barred from doing certain activities—particularly where children are involved. If we could extend the principle and precedent whereby somebody who has form with rogue development—that is, turn up, build now and apologise later—which blights communities up and down the land, is barred through legislation that is practical and that does not undermine the planning system, I am up for carrying on that conversation. If not through the exact wording of this new clause, then perhaps by another means, we could find a happy solution that protects our communities from those who, I am sorry to say, continue to blight them by building out schemes that they do not have planning permission for.

Matthew Pennycook: I thank the Minister for that response. I agree that we have to tread very carefully in this area; the principles that we have all spoken about, in terms of planning system proportionality and judgment on individual applications, are important. The Minister was not on the Committee at the time, but the Opposition broadly supported the measures outlined in chapter 5 of part 3, which strengthened enforcement. I welcome his commitment to continue the discussion outside the Committee, but I hope he gives the issue some serious thought.

I accept what the Minister said about the difficulties, particularly in terms of a character test, but at the same time it does not seem beyond the talents in this Committee Room—I will put it that way—to come up with a system that proscribes certain categories of person. Even if it was a threshold of a certain number of planning breaches in the past, beyond which someone cannot bring forward applications, there must be some way of doing it. A minority of rogue developers are causing havoc for communities and lots of work for planning departments in local authorities. We think the Government should give further thought to making progress on the issue.

Greg Smith: I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 17

COMMUNITY RIGHT OF APPEAL

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

(2) After section 78 (right to appeal against planning decisions and failure to take such decisions) insert—

'78ZA Community right of appeal

(1) The Secretary of State must by regulations make provision—

(a) enabling communities to appeal against a decision to grant planning permission or permission in principle for a development, and

(b) about such appeals.

(2) The regulations may require a certain number or proportion of residents of a local area to record objection against a decision for such an appeal to proceed.

(3) The regulations may, in particular, make provision the upholding of such appeals and the revocation of permission if—

(a) the development is inconsistent with a relevant neighbourhood plan, or

(b) due process has not been followed in relation to the planning application.

(4) The first regulations under this section must be laid before Parliament before the end of the period of six months beginning on the day on which this section comes into force.'" *—(Greg Smith.)*

This new clause would introduce a community right of appeal against the granting of planning permission.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

This new clause gets to the heart of a frustration for many communities, be it Maids Moreton in my constituency, Ickford or many others. Planning permission is granted—or conceivably in some places not granted—but the community is opposed to the application. Conversely, the community wants it, but it is not given permission. We know that, as it stands at the moment, there is little power for communities to challenge that, short of the judicial review process. We all know how much judicial reviews can cost and how unlikely they are, in many cases, to succeed, because they are dependent on technical legal requirements, as opposed to the wider planning law environment.

The new clause would bring in a community right of appeal. It would mean that a community that felt particularly hard done by as a result of a decision of a planning authority, rather than being forced down the route of judicial review at great—often unaffordable—expense, could lodge an appeal, just as a developer can who is not content with the way that their application has been determined. This is about fairness—about giving those on both sides of the debate the same right of appeal. It is a point of principle that I hope the Government will listen to, and I hope that they find a way of getting this measure into the Bill.

Rachael Maskell: It is a pleasure to see you in the Chair, Sir Mark. I add my support for these measures, because it is incredibly important that power be given back to people in communities. On many occasions, I have seen developers across York move into a space and determine the future of a community without engaging it, even if only in a consultative way. Occasionally, the community may be lucky enough to meet the partners cursorily, yet those developers will derive serious profit from the land. Also, what they place on the land will have huge implications for local housing prices and economic opportunities for the community, but the community is completely disregarded.

That feeds into a wider agenda around people identifying with their place. Across society, we are wrestling with that issue, and with people having a franchise in place. People are feeling more and more disconnected from their locality. It is crucial that we find a way, across

communities, to rebalance people's right to steer through a mechanism. In debate on my earlier amendments, I talked about deliberative democracy. The community should absolutely be involved in processes before they get to a certain point. It is far better to prevent an incident than to try to recover once it has happened. It is important to find a way to give people franchise over their community, particularly when we contrast the harm that could be done with the profit that developing companies and landowners will reap. This huge extraction economy, as I have been calling it, is playing off the localism that people want in their vicinity, and causing a lot of stress and tension, because while it benefit others, it causes the community harm. A community right of appeal will start to tilt the balance back towards local people, which is absolutely essential.

Tim Farron: This important new clause gets to the heart of a historical imbalance, injustice and inequity in the planning system. Developers, who tend to have significantly more resources than those who question or oppose a development, have the right to appeal against the local authority or national park that turned down their planning permission, and they have the resources to see that through; but what happens if a community that has opposed a development loses? It may have opposed not development, but the nature of the development proposed. In my constituency, we are very often happy with the number of houses proposed, but outraged that none of the houses is affordable to local people.

The ability to challenge a developer and a decision seems to be at the heart of democracy. To really level up, we must not just level up geographically, but level out the imbalance of power between developers, many of which have substantial resources, and local communities, who, generally speaking, do not.

The new clause is a sensible move in the direction of winning people's consent to the planning system, so that communities do not feel that things are being done to them. If levelling up is to mean anything, and if devolution is to mean anything, the Government should surely want to embrace proposals such as this.

2.45 pm

Lee Rowley: I thank hon. Members for their contributions. At a high level, the new clause is attractive, and I am tempted by it, but for reasons that I will outline, I am afraid that we will be resisting it. I completely accept the way in which all three of my colleagues have articulated the issues. I am sure that everybody in this room has stories of cases in which, although planning applications have gone through the process, there is a general lack of consent from the community to the manner in which they went forward.

Notwithstanding that, and notwithstanding my acceptance of the points that the hon. Member for York Central rightly made about the importance of franchise of place and embedding local consent in decision making, two fundamental principles mean that I am unable to accept the new clause. First, it is absolutely vital that we retain the principle that those who own land have the right to make applications, and to understand the processes that they can go through. Once that due process has been concluded, those landowners have the right to do as they wish with their land, within the established framework that the Government deem it reasonable and proportionate to apply.

Secondly—I recognise that I am speaking to people with a great interest in this area, and I am probably telling them lots of things that they already know—we would all accept that planning is a long, difficult and convoluted process at the best of times. In another part of my portfolio, I am looking at the reasons why a large proportion of local authorities do not have a local plan; a local plan is one of the processes through which discussion takes place and consent, hopefully, is given to development. That is a multi-stage, multi-consultative process in which people can put forward ideas, and in which those ideas can be tested, and then accepted or not, first in the community, and then with an additional body looking at them. Once that process has concluded, on most occasions, there is the opportunity for planning applications to be debated in principle. The community has the opportunity to get involved at that stage, and then once again in the case of reserved matters.

That is a very imperfect process, and we will all have lots of experience of it not leading to communities liking, or particularly wanting, individual applications. However, it is important to note the multi-stage nature of the process and the multiple elements of consultation in. While I understand the sentiments behind the new clause and the frustrations that have been articulated, and while I recognise that the system is very imperfect, I ask my hon. Friend the Member for Buckingham to consider withdrawing the new clause. As many Members know, and occasionally remark on, I am only six weeks in post, but I have spoken to a number of people who have been involved with these matters for years. I understand that this proposal has been around for many decades, and one of the reasons why it has not been taken forward is the fundamental change it would make to the planning system. I accept and understand the importance of the new clause, but we are not able to accept it.

Rachael Maskell: I appreciate that the Minister was not here for earlier stages of debate on the Bill. Will he consider my suggestion about greater community engagement and involvement, and my point about ensuring deliberative democracy when sites are brought forward for use? It would be a way of trying to address the problem at source, rather than retrospectively, and it would give communities that engagement, franchise, and opportunity to determine how the community develops.

Lee Rowley: I am grateful to the hon. Lady for her comments. We may have another discussion about deliberative democracy when we debate another amendment in a few minutes' time.

I am a great advocate of local communities having as much involvement in these discussions as possible. It is a shame when councils—I experienced this in North East Derbyshire a number of years ago—do not emphasise the discussion at the appropriate point, and people do not feel as involved as they need to if they are to understand what happens later in the process. I hope that local councils take opportunities to be as broad and open in their discussions as possible. I am also a big fan of neighbourhood plans, because they give communities the opportunity to be more involved in discussion. There are parts of the system that can be used at the

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moment, though I respect and acknowledge the challenge of involving local communities in it. I ask my hon. Friend to withdraw the new clause.

Greg Smith: I absolutely hear what my hon. Friend says about due process for landowners who wish to develop their land. I am not in any way, shape or form seeking to take any of that away through the new clause; it is quite right that landowners or developers should have the due process set out, and a clear path to appeal if they feel that they have not been treated fairly.

What is missing is the other side of the equation, when something materially affects a village, town or neighbourhood. Some months ago, when speaking to an amendment, I gave the example of the way flooding is dealt with in the planning process. In the village of Ickford in my constituency, every villager knew that a piece of land flooded not just a little, but a lot, but that was completely ignored throughout the planning process and when it got to the Planning Inspectorate. The community could see the problem—they knew and felt it; they had puddles lapping up to the top of their welly boots regularly—but was left with a choice of going to judicial review or nothing. That community right of appeal did not exist. They could see, feel and breathe the issues. This was the place they call home, but that knowledge could not be put into any meaningful challenge that would not cost the village £1 million.

I am happy to withdraw the new clause for the time being, but I really urge my hon. Friend to look at how we can restore fairness, so that when a place feels that the planning system has worked against it, it can lodge a good, well-thought-through challenge that that does not go into the unaffordable realms of judicial review. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 18

START OF DEVELOPMENT FOR PLANNING PURPOSES

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

(2) In section 56(4) (time when development begun) leave out paragraphs (aa) to (c)

(3) In section 92(2)(b) (outline planning permission) for 'two years' substitute 'one year."—*(Greg Smith.)*

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

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

New clause 20—*Revocation and modification of planning permission for unbuilt development by Secretary of State—*

"(1) Section 100 of the Town and Country Planning Act 1990 (revocation and modification of planning permission or permission in principle by the Secretary of State) is amended as follows.

(2) After subsection (1) insert—

'(1A) In this section, "expedient" includes circumstances in which—

(a) a development for which planning permission has been granted is unbuilt and appears likely to remain unbuilt, and

(b) in the opinion of the Secretary of State it is in the public interest to revoke or modify that planning permission.'."

New clause 21—*Council tax to be payable on undeveloped sites for which planning permission granted—*

"(1) The Local Government Finance Act 1992 is amended in accordance with subsections (2) and (3).

(2) In section 3 (meaning of 'dwelling' for Council Tax purposes), after subsection (3) insert—

'(3A) A hereditament which—

(a) is all or part of a new or proposed new building the terms of planning permission for which required the building to already be completed, and

(b) which otherwise would be a dwelling for the purposes of this Part is a dwelling for the purposes of this Part.'

(3) In section (4) (dwellings chargeable to council tax), at the end insert—

'(5) But a dwelling under section 3(3A) may not be an exempt dwelling.'

(4) Schedule 4A of the Local Government Finance Act 1988 (non-domestic rating: new building (completion days)) is amended in accordance with subsections (5) to (7).

(5) In paragraph 1(1), after 'months' insert—

'or the terms of planning permission require the building to be completed within three months,'

(6) At the end of paragraph 2(2) insert—

'or, if it is sooner, the day on which the terms of planning permission required the building to be completed.'

(7) After paragraph 4(1) insert—

'(1A) But a person may not appeal under sub-paragraph (1) if the terms of planning permission required the building to be completed on or before the completion day.'."

Greg Smith: There is clearly a game afoot, whereby many developers up and down the land acquire planning permission, but do not build out what they have received planning permission for. I stand to be corrected, but I believe that around a million homes that have planning permission are not being built out. New clause 18 would shut down some of the loopholes that are exploited; for example, if a trench is dug, or a single pipe is laid, or something very superficial to the development is started, that can satisfy the planning authorities that the development has started, even though not a single brick may follow, or certainly not in the timeframe the community expects.

Particularly pertinent is the ability under new clause 20 for a planning authority to revoke or modify planning permission where the development has not been built, or started. The community is expecting 10, 50, 1,000 houses or whatever, but the developer is simply playing a game, in order to increase the land value for resale later, or because they want to sit on the permission and distort property values in the a particular area, or for some other reason.

In our planning system, there should be an presumption that once a developer has been granted planning permission, they need to build the development. There will always be reasons why a development might not start immediately—force majeure or whatever—and we need to be conscious of that, but if a developer has been given planning permission, they should build or face a penalty. New clause 21 goes that little bit further: it would make council tax payable on sites that have been granted planning permission. That would give the developer

a financial incentive, shall we say, to get on with the development, because if they are attracting council tax on each new home given planning permission, that will quickly rack up, certainly in many parts of the country, to many thousands of pounds per housing unit per year.

The new clauses are designed to get the planning system to work as it is meant to do. It is about ensuring that planning permission means something. When it is granted, communities that have consented to it should see the product—the homes and the commercial developments—that they want.

Tim Farron: These interesting new clauses highlight two issues about which I am particularly concerned—issues to which the hon. Gentleman alluded. They are very helpful new clauses, and I am grateful to him for tabling them. He is right that, over the past decade, roughly a million properties granted planning permission have not been built. That tells us something. When the Government consider growth and the need for new developments, they think they just need to loosen planning regulations. Well, the answer to that is that 1 million new homes have obtained planning permission but have not been built. Let us focus on making sure that those developments get delivered, rather than on reducing the regulations, because that tends to lead to the wrong sort of homes in the wrong sort of places.

Another issue affects tens of thousands—but not a million—houses. It is when developments begin but are not completed. That may be for a range of reasons, such as genuine business failure. It may also be due to a disreputable developer; we have seen plenty of those. I think of one in my constituency, a serial bankrupt, and it seems obvious to me that in their case, we are talking about a deliberate business tactic. Developments are either completely or partially abandoned. That is a waste of time and money, and it creates eyesores for communities, when the development could have provided nice, decent homes for people to live in.

Would the Government consider going further than the new clauses suggest and applying existing legislation, namely empty dwelling management orders? They allow local authorities to commandeer empty properties after a period. It should be noted, however, that the period is seven years, which is far too long, but we should be able to commandeer developments that were begun but not completed for public use and public good. I can think of one house in the Kendal Parks area of Kendal that has been uncompleted for 20 years. It is an eyesore, and damaging to the local community. It could be a decent home for someone. I can also think of a whole development in Burton-in-Kendal that has been poorly managed and has fallen out of the hands of one set of owners into those of another. The ability of local authorities to commandeer properties for the public good would be of huge benefit, not just to my community but to every Committee member's community.

Lee Rowley: I am grateful to the hon. Member for Westmorland and Lonsdale for his comments, and to my hon. Friend the Member for Buckingham for tabling the new clauses.

I accept that this is another area of policy that is difficult and challenging and that a balance needs to be struck. I completely understand the concerns that have been raised. In order not to detain the Committee, and without offering any guarantees, I would be keen to continue the conversation outside the realms of the Committee to consider and reflect on the points made by those who have spoken. I am happy to discuss that in advance of further stages of the Bill, should my hon. Friend be content to do that.

Greg Smith: I welcome that commitment. I stand ready to carry on the conversation; therefore, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

3 pm

New Clause 22

ABOLITION OF PLANNING ENFORCEMENT TIME LIMITS IN PROTECTED LANDSCAPES

"(1) Section 171B of the Town and Country Planning Act 1990 (enforcement time limits) is amended as follows.

(2) At the end of the section insert—

'(5) But there is no restriction on when enforcement action may be taken in relation to a breach of planning control in—

(a) an Area of Outstanding Natural Beauty,

(b) a National Park,

(c) a Site of Special Scientific Interest, or

(d) any other protected landscape as may be prescribed by the Secretary of State in regulations.'"—*(Greg Smith.)*

This new clause would abolish the time limits for planning control enforcement action (principally four years from the breach) in protected landscapes.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

This new clause is in a similar vein to many of the others that I have tabled, although it looks at the controls for planning enforcement and essentially abolishes the time limits so that where rogue development or development carried out without planning permission takes place, especially in protected landscapes, it can no longer be timed out by a lack of enforcement action. I accept that planning enforcement is not a statutory service on local authorities, which are often overstretched. Removing the time limit would ensure that those who have done wrong by a community and developed that which they should not have, or have developed in a manner that is not commensurate with their planning permission, can still face the appropriate planning enforcement beyond the current statutory time limits.

Lee Rowley: I share my hon. Friend's desire to ensure that important landscapes are protected from breaches of planning control. We would need to consider the time limit by which that occurs, and whether an open-ended time limit is the most appropriate way. While I understand the underlying principle and point that my hon. Friend makes, there is a challenge in leaving something so completely open ended, as it could come back in many years' or decades' time, however unlikely that may be.

[Lee Rowley]

As my hon. Friend will know from sitting on this Committee longer than me, the Bill already increases the time limits for some breaches of planning control from four years to 10 years. We hope that is a positive direction of travel that demonstrates the Government's willingness to look at this area and make changes where appropriate, but in this instance, I ask my hon. Friend to withdraw the clause. I am happy discuss it further—although it is very difficult to see how an open-ended timeframe can be obtained. I hope that he can see in other parts of the Bill the Government's intent to look at that where we can and where it is proportionate to do so.

Greg Smith: I very much welcome the Minister's words. I accept that, with a totally open-ended time limit, the new clause is imperfect. I am happy to negotiate and find a happy medium that sets a more realistic and reasonable timeframe, so that planning enforcement does not just fall off the metaphorical cliff edge and communities are not left wanting. Therefore, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 23

REPORT ON MEASURES TO INCENTIVISE BROWNFIELD DEVELOPMENT OVER GREENFIELD DEVELOPMENT

"(1) The Secretary of State must, within 60 days of the day on which this Act is passed, establish a review of the merits of measures to financially incentivise brownfield development over greenfield development.

(2) The review must, in particular, consider the impact of—

(a) introducing a greenfield plot tax to provide dedicated funding streams for brownfield development,

(b) setting a uniform zero-rating of VAT for development on brownfield sites,

(c) applying standard VAT to development on greenfield sites,

(d) applying variable measures to ensure that increases in land values attributable to the granting of planning permission for development are used in support of communities local to those developments, and

(e) allowing a high degree of variation in the Infrastructure Levy to enable communities to value the loss of greenfield land depending on local circumstances.

(3) The Secretary of State must lay a report on the findings of this review before Parliament no later than one year after this Act comes into force." *—(Greg Smith.)*

This new clause would require the Secretary of State to review the merits of measures that would financially incentivise brownfield development over greenfield development and to report the findings to Parliament.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

There have been so many Committee sittings in which I have said very few words, but it seems that this afternoon is my time in the limelight. *[Interruption.]* It is probably best that I did not hear the heckles from the Opposition Benches.

The new clause comes back to some of the earlier amendments that we have debated in this Committee that looked at the practical steps that could be taken to incentivise brownfield development over greenfield development. The Government are to be commended and congratulated on the move to a brownfield-first development approach. There is a reality that underpins that. It remains the case that for a developer, it is often grossly more expensive to develop a brownfield site than a greenfield one. That is most commonly because of the decontamination costs of former industrial land, which may have had petrol or oil tanks underneath it. We have to accept that the cost differential is, at times, extreme.

Just as the Committee has debated amendments proposing different rates of infrastructure levy for brownfield and greenfield sites, so this new clause would compel the Government to look seriously at financially incentivising the development of brownfield sites over greenfield ones. Subsection (2) contains some suggestions—I urge my hon. Friends on the Treasury Bench not to consider this an exhaustive list—around VAT and a greenfield plot tax. They are ways to say to developers that we want and need them to develop brownfield sites rather than taking yet more of the Great British countryside and greenfield sites; and that the Government will put the public's money where their mouth is by providing these incentives. In many other walks of life, the Government offer incentives to do the right thing environmentally. We need to say to developers, "In the tax and planning systems, we will make it advantageous for you to go for brownfield sites first." I believe that is what the public want, and I hope we can get it into the Bill.

Ben Bradley (Mansfield) (Con): It is a pleasure to serve under your chairmanship, Sir Mark. I want to give the Committee a change of scenery for five minutes, before I let somebody else speak. I will not develop these points; I will just add a thought that the Minister might wish to take away and consider in further conversations.

The Bill will, I hope, create numerous mechanisms and levers to incentivise local areas to bring forward brownfield sites, not least development corporations, combined authorities and the investment zones that have been the subject of much conversation. I should declare an interest, because I am the leader of a local authority and I am involved in a devolution conversation in the east midlands. At a regional level, we have been given funding to bring forward brownfield sites for development, and we are considering how we might use that funding locally to achieve this goal. Perhaps the Minister might consider whether some of the levers, funds and opportunities that my hon. Friend the Member for Buckingham has proposed would sit better at a devolved, local level within one of the mechanisms created by the Bill, rather than in the Bill itself.

Dehenna Davison: It is a pleasure to speak to this amendment from my hon. Friend the Member for Buckingham. We have done some great work on it together, and I hope we can continue in that spirit. Members will know that the Government strongly encourage the use of brownfield land over greenfield, and in national policy there is an expectation that local

planning policies and decisions will give substantial weight to the value of using suitable brownfield land to meet our communities' housing needs and other identified needs.

My hon. Friend was right to highlight the cost differential that developers face. We are investing significant funding to support brownfield development, including in some of the schemes that he has mentioned. I will rattle through them one more time for the Committee's benefit. There is the £550 million brownfield housing fund and the £180 million brownfield land release fund 2, which builds on the success of the £75 million first brownfield land release fund. In addition, later this year we aim to launch the £1.5 billion brownfield, infrastructure and land fund, which will unlock sites around the country.

We are particularly sympathetic to this cause, which is why we are setting out a range of new measures and powers in the Bill to support brownfield development. My hon. Friend the Member for Mansfield is right to talk about local empowerment—something that I know he is a real champion of in his other role, at local government level. We are keen that the Bill in its entirety will empower local leaders to regenerate towns and cities through a range of provisions, including new locally led and locally accountable development corporations, which my hon. Friend mentioned, and support for land assembly and regeneration through enhanced compulsory purchase powers.

My hon. Friend the Member for Buckingham mentioned the infrastructure levy introduced in the Bill. It provides a framework in which, where increases in land value are higher—as is often the case with greenfield development—higher rates can be set. This mechanism would allow differential charging rates to be set by local planning authorities for different types of development, so that more could be levied on greenfield land as compared with brownfield land to incentivise development on that brownfield land.

We will also continue to work on wider planning proposals that will give the public an opportunity to shape our future national planning policy, and in relation to which the Government have committed to consult the public.

On that basis—because we are already taking such strong steps to encourage brownfield development and have a commitment to review national policy—we do not feel that the new clause is necessary, so I kindly ask my hon. Friend to withdraw it today.

Greg Smith: I very much welcome the Minister's commitments. She is absolutely right in outlining the various schemes to support brownfield development. I guess the thought I will leave her with is the reflection that, rightly, there is a lot of carrot in those schemes; where I do not think we have quite enough at the moment is the stick to dissuade people from greenfield development. We need to ensure a proper balance of incentivising, through grant funding or whatever it might be, development on the brownfield sites, and also something to actively dissuade developers from looking at the greenfield sites. If we can carry that conversation on through to Report, I am content to withdraw new clause 23 at this time. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 24

REPORT ON MEASURES TO IMPROVE THE EFFICIENCY OF THE HOUSING MARKET

"(1) The Secretary of State must, within 60 days of the day on which this Act is passed, establish a review of the merits of measures to improve the efficiency of the housing market.

(2) The review must, in particular, consider the impact of—

(a) a stamp duty exemption to encourage elderly homeowners to downsize,

(b) an additional stamp duty surcharge on purchases by person not resident in the UK,

(c) a stamp duty surcharge on second home purchases,

(d) a reduction in the highest rates of stamp duty, and

(e) measures to promote an active market in long-term fixed rate mortgages to encourage lending to first time buyers.

(3) The Secretary of State must lay a report on the findings of this review before Parliament no later than one year after this Act comes into force."—*(Greg Smith.)*

This new clause would require the Secretary of State to review the merits of measures to improve the efficiency of the housing market and to report the findings to Parliament.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

This is one where we genuinely have to tread extraordinarily carefully. I fully understand the scope for new clause 24 to be misinterpreted, shall we say, as trying to demand that people move, leave larger homes, or whatever it might be. There is no intention whatever—let me place this on the record—to compel or demand that someone living in a large house move out of it, or do any such thing. But I think we have to acknowledge that there is some failure in the housing market that is leading to the demand for new homes to be built, whereas perhaps a pensioner couple whose children have flown the nest, who find themselves—just the two of them—living in a five-bedroom house somewhere and who actively want to move are finding themselves trapped.

That is because of higher rates of stamp duty, certainly in parts of the south-east, where five-bedroom houses can very easily be north of £1 million, and in London, where they can be north of £3 million, £4 million or £5 million. People find themselves trapped in a situation in which the tax system just works against their being able to downsize as they wish to. That then of course has a concertina effect through the entire housing market. The family who are able to buy the larger house cannot, because there is not the supply. And that goes all the way down to the first homes: the discount market homes, the part-buy, part-rent homes or, indeed, the social rent homes. They are just not available.

The new clause does not call for anything in particular. It essentially creates a duty on the Government to review those mechanisms that are causing market failure in the housing market and that are trapping people, particularly through the stamp duty system—I am explicitly referring to the higher end of the stamp duty rates—and preventing them from doing what they wish to do with their homes. I repeat from the start that this is not about saying to people who want to stay in larger houses that they must move out—it is absolutely their right and choice to stay if they wish—but about fixing the system

[Greg Smith]

so that those who do wish to go up or down the housing ladder can do so without penalty. That might reduce the need to build quite as much as we are in the United Kingdom.

3.15 pm

Lee Rowley: I am grateful to my hon. Friend for tabling the new clause. I absolutely accept his points about discussing this matter sensitively and accepting the real challenges in parts of the housing market. I understand and acknowledge that challenge, which the Department grapples with daily and as much as the state can. It is vital to have an effective housing market and for people to have good-quality properties and roofs over their heads, irrespective of tenure. Most fundamentally, we Conservatives know that expanding home ownership is vital. Although it is starting to increase again as a proportion, a gap remains between the number of people who want to buy a house and the number of people who can.

We all have our own individual stories. In North East Derbyshire, the way that properties are distributed—that sounds like a very technical word for real people's lives—does not necessarily align in all instances with people's needs. In one town in my constituency, a significant amount of which was built in the '60s, '70s and '80s, lots of people who purchased properties to bring up their families are struggling to find houses—bungalows in particular—to downsize to, now that their families have flown the nest. Many Members will have similar stories.

At the same time, my hon. Friend has considered the matter closely and will acknowledge that there is a question about whether we need to legislate in this area. I humbly suggest that we do not, but I recognise the intent behind the amendment. Over the course of my time in post, I will continue to do what I can to answer some of those questions, as will the Department, so I ask him to consider withdrawing the amendment.

Greg Smith: I appreciate my hon. Friend's comments. To clarify, yes, we would be putting a clause into legislation, but we would not be legislating for the outcome. We would be legislating for a duty on his Department to publish a report—to properly kick the tyres, if I may put it like that—on the housing market failures that are leading to the demand for so many new housing units to be built.

Of course, I fully accept that tackling stamp duty is not within the competence of the Department for Levelling Up, Housing and Communities. Altering the rates to get the market moving more quickly would have to be pitched to His Majesty's Treasury. With that in mind, I am content to withdraw the new clause, but I urge my hon. Friends the Ministers to consider this point as the Bill and the Department's work on housing and planning move forward. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 25

REPORT ON PROMOTING DEVELOPMENT IN ALREADY DEVELOPED AREAS

"(1) The Secretary of State must prepare a report on possible measures to promote development in areas that are already developed.

(2) The report must consider measures to promote—

(a) the purchasing by housing associations of properties that—

(i) have been unoccupied for an extended period (with reference to the vacancy condition in section 152), or

(ii) are currently unfit for human habitation (with reference to requirements of the Homes (Fitness for Human Habitation) Act 2018;

(b) novel means of providing increased affordable housing that is sustainable and accords with surrounding areas.

(3) The report must be laid before Parliament before the end of the period of six months beginning on the day on which this Act is passed."—*(Greg Smith.)*

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 26—*Review of compulsory purchase powers*—

"(1) The Secretary of State must undertake a review of whether the powers of compulsory purchase available to—

(a) local authorities, and

(b) the Secretary of State

are adequate to meet the objectives of this Act.

(2) In undertaking the review the Secretary of State must, in particular, consider—

(a) whether existing statutory time limits for compulsory purchase action are appropriate,

(b) other means of accelerating compulsory purchase action with particular reference to properties to which subsection (3) applies, and

(c) the adequacy of compulsory purchase powers in relation to properties to which subsection (3) applies.

(3) This subsection applies to—

(a) properties that have been unoccupied for a prolonged period (with reference to the vacancy condition in section 152), and

(b) buildings of local public importance such as hotels and high street properties."

This new clause would require the Government to review powers of compulsory purchase and whether they are adequate to meet its levelling-up and regeneration objectives.

Greg Smith: New clauses 25 and 26 are quite important to free up for good use properties that may have fallen into disrepair or been unoccupied for a long time. I am sure that we could all name properties in our constituencies that we have canvassed for five elections running but nobody is ever behind the door. We put leaflets through the door, but the post reaches almost as high as the letterbox itself. Those are homes that I hope all Members, of whatever political persuasion, would acknowledge really should not be sat empty, but should have a family or whoever living in them. Of course, the wider public good is also served by not allowing properties to fall into disrepair and become eyesores or perhaps hotspots for disorderly behaviour, as people seek to take them over illegally.

New clause 25 does not contain specific legislative measures to deliver the outcomes we are seeking, but it creates a duty on DLUHC to report on how better to ensure that empty properties that have fallen into disrepair and are perhaps causing other public health hazards

can be more easily brought back into the housing supply chain for social rent, for part rent, part buy, for discount market housing, or for whatever it might be.

New clause 26 is about ensuring that the compulsory purchase powers available to local authorities are suitable, if I may put it in those terms, to enable them not just to get those properties back into productive use and put a roof over human beings' heads, but to ensure that local authorities that often bang their heads against a brick wall when it comes to certain compulsory purchase powers are freed up to make the right decisions for the communities they represent.

Dehenna Davison: I completely agree with the sentiment behind these new clauses. We can probably all think of examples in our constituencies of the sorts of vacant properties that my hon. Friend mentioned. Indeed, I was out in Eldon Lane with neighbourhood wardens, local police and local councillors—I think last week or the week before—looking at streets where most of the houses sit empty and can become hotbeds for antisocial behaviour and petty crime, so this is certainly something we want to tackle.

I agree with the benefits of promoting development in areas that are already developed, but I do not think that new clause 25 is necessary. We have already debated the Government's national planning policy framework, which promotes the development of previously developed land and makes it clear that local plans should also include sufficient provision for affordable housing. I share the interest in novel ways of increasing the supply of affordable housing. The Government's affordable housing guarantee scheme is a good example of this kind of innovation. The same is true of the proposal in the Bill to secure affordable housing contributions in future through a new streamlined mandatory and locally determined infrastructure levy.

My hon. Friend also made the case for housing associations to purchase homes that are empty or not currently fit for human habitation. I agree that this can play a valuable role in expanding the availability of affordable housing and improving the overall quality of our housing stock. Local authorities and other social housing providers can access funding to acquire empty homes on the market and bring them back into use through programmes such as the affordable homes programme and the rough sleeping accommodation programme.

Briefly, on new clause 26, I strongly share my hon. Friend's desire to ensure that the compulsory purchase system is fit for purpose and can play its part in delivering our levelling-up agenda. My officials have worked incredibly closely with key stakeholders to review the current system and develop the package of measures in the Bill. We believe that these measures, supplemented by improved and updated guidance, will together ensure that local authorities have the powers they need to bring forward the regeneration of their high streets and town centres, and to deliver much needed housing and infrastructure. We also believe they will deliver a faster and more efficient compulsory purchase system and make compensation simpler and clearer. I have also asked the Law Commission to undertake a review and consolidation of the existing legislation on compulsory purchase and land compensation, which will begin shortly.

On that basis, I hope that my hon. Friend will agree that a statutory review is not necessary and ask him to withdraw the new clause.

Greg Smith: On the back of those commitments, I am happy to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 27

DELIBERATE DAMAGE TO TREES LINKED TO DEVELOPMENT

"(1) Section 210 of the Town and Country Planning Act 1990 (penalties for non-compliance with tree preservation order) is amended as follows.

(2) After subsection (4) insert—

'(4AA) Subsection (4AB) applies if—

(a) the court is considering for the purposes of sentencing the seriousness of an offence under this section, and

(b) the offence was committed for purposes connected to planning or development.

(4AB) The court—

(a) must treat the fact mentioned in subsection (1)(b) as an aggravating factor (that is to say, a factor that increases the seriousness of the offence), and

(b) must state in open court that the offence is so aggravated.'"—*(Greg Smith.)*

This new clause would make damage to trees or woodland in contravention of a tree preservation order an aggravated offence if it was committed for purposes connected to development or planning.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

This new clause goes to the heart of an issue very close to my constituents, who have seen a great number of trees damaged—largely by the Government's HS2 project, I have to say. It happens far too frequently in rural environments, but it is equally applicable to urban ones, where trees that are unacceptably damaged, often with preservation orders on them, are often the only green for some distance around. Very straightforwardly, this new clause in my name and the name of my right hon. Friend the Member for Chipping Barnet seeks to put in place measures that will clamp down harder on those who deliberately damage trees during development.

Lee Rowley: I am grateful to my hon. Friend for moving this new clause, and I am sympathetic to the issue that he and other Members have raised. The protection of trees and the environment is hugely important, and it is frustrating when others do not support that cause. The information I have is that the law already provides a substantial amount of leeway to seek appropriate financial redress from people who have been accused of damaging trees, should the contravention have been through the local council via a tree preservation order.

With that in mind—I may be misinterpreting my hon. Friend—I am keen to understand from my hon. Friend or his colleagues why they believe there is still a need to change the law. There is obviously a bit of a difference in views at the moment, so we should try to bottom that out. If we can find an issue to debate, I would be very happy to do so, but for the purpose of today, I ask my hon. Friend to withdraw the amendment.

Greg Smith: I appreciate what the Minister says, but I think there is still a gap in the law. It is not as strong as it possibly could be to clamp down on deliberate—we must underline the word deliberate—damage to trees as part of development. I am mindful of the Committee's time, so I do not think going through the detail now would please many hon. Members. I am happy to meet the Minister to go through the detail, along with other colleagues whose names are on this new clause, in the hope of finding a satisfactory result for later stages of the Bill. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 28

LOCAL PLANNING AUTHORITIES TO BE ALLOWED TO MEET VIRTUALLY

"(1) This section applies to any meeting of a planning committee of a local authority in England.

(2) A reference in any enactment to a meeting local authority is not limited to a meeting of persons all of whom, or any of whom, are present in the same place and any reference to a 'place' where a meeting is held, or to be held, includes reference to more than one place including electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers.

(3) For the purposes of any such enactment, a member of a local authority (a 'member in remote attendance') attends the meeting at any time if all of the conditions in subsection (4) are satisfied.

(4) Those conditions are that the member in remote attendance is able at that time—

(a) to hear, and where practicable see, and be so heard and, where practicable, be seen by, the other members in attendance,

(b) to hear, and where practicable see, and be so heard and, where practicable, be seen by, any members of the public entitled to attend the meeting in order to exercise a right to speak at the meeting, and

(c) to be so heard and, where practicable, be seen by any other members of the public attending the meeting.

(5) In this section any reference to a member, or a member of the public, attending a meeting includes that person attending by remote access.

(6) The provision made in this section applies notwithstanding any prohibition or other restriction contained in the standing orders or any other rules of the authority governing the meeting and any such prohibition or restriction has no effect.

(7) A local authority may make other standing orders and any other rules of the authority governing the meeting about remote attendance at meetings of that authority, which may include provision for—

(a) voting;

(b) member and public access to documents; and

(c) remote access of public and press to a local authority meeting to enable them to attend or participate in that meeting by electronic means, including by telephone conference, video conference, live webcasts, and live interactive streaming.

(8) In this section, 'planning committee' means any committee or sub-committee to which a local authority has arranged for the discharge of planning functions under section 101 of the Local Government Act 1972."—*(Greg Smith.)*

This new clause would enable planning committees to meet virtually. It is based on the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, made under s78 of the Coronavirus Act 2020.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 69—*Local authority planning committee meeting*—

"(1) The Secretary of State must by regulations make provision relating to—

(a) requirements to hold local authority planning committee meetings;

(b) the times at or by which, periods within which, or frequency with which, local authority planning committee meetings are to be held;

(c) the places at which local authority planning committee meetings are to be held;

(d) the manner in which persons may attend, speak at, vote in, or otherwise participate in, local authority planning committee meetings;

(e) public admission and access to local authority planning committee meetings;

(f) the places at which, and manner in which, documents relating to local authority planning committee meetings are to be open to inspection by, or otherwise available to, members of the public.

(2) The provision which must be made by virtue of subsection (1)(d) includes in particular provision for persons to attend, speak at, vote in, or otherwise participate in, local authority planning committee meetings without all of the persons, or without any of the persons, being together in the same place."

This new clause would allow local authorities to hold planning committee meetings and reach planning decisions virtually or in a hybrid form.

Greg Smith: With this clause I have a very simple proposition, although I state from the outset that I absolutely hate virtual meetings. We all tolerated them throughout the pandemic, but I believe that as humans we are inherently social and meeting together is a far better way of doing things. However, I have spoken to many members of local authorities in my own constituency and in other parts of the country—as well as many town and parish councils, although they are not planning authorities—that find it extraordinarily difficult to get a quorum, or to get together in a single place all voices who want to be heard. That is especially the case in rural communities. Somebody living in the village of Dadford in my constituency would be looking at a 50-minute drive to a planning meeting in Aylesbury, and I am sure that driving times in the constituency of the hon. Member for Westmorland and Lonsdale are considerably longer than that.

3.30 pm

As we go for localism, community control and a system that genuinely puts communities in charge of planning, we need a mechanism to ensure that we do not shut people out of the planning process by demanding that they travel great distances to attend meetings. That applies as much to the councillors who sit on the planning committee as to the residents or interested parties who have a right to be heard in the process. As much as I hate the virtual environment, I think that it is necessary to allow councils to meet in that way to ensure that everyone can have their voice heard.

Matthew Pennycook: It is a pleasure to follow the hon. Member for Buckingham. I think that hate might be too strong a word, but I certainly share his preference

for in-person over virtual meetings, where possible. However, there are circumstances where virtual meetings have become necessary or useful, and that is what these new clauses both seek to address for the planning system.

While there are significant points of disagreement between the Opposition and Government Benches on the question of whether the Bill, in the round, will enhance or discourage community engagement in the planning process, there none the less exists a broad consensus that that objective is a worthy one. Whatever one believes the causes to be, there is general agreement that it is a problem that, as things stand, less than 1% of people engage with the local plan-making process, only around 3% engage with individual planning applications, and—of particular concern to the Opposition—particular segments of society typically have no voice whatsoever on planning decisions that will have a huge impact on their communities and their lives.

We therefore think that reducing barriers to engagement with the planning process would be beneficial for a variety of reasons. Chief among them—this is a point that I return to again and again—is that, in some ways, we think it would address the extremely low levels of trust and confidence that the public has in the planning system as a whole.

New clause 69, which, in many ways, is similar to new clause 28 in the name of the right hon. Member for Chipping Barnet, seeks to increase public engagement in the planning process by allowing local authorities to hold planning committee meetings virtually or in a hybrid form. That proposal is obviously not novel. We know from the experience of local authorities during the pandemic that allowing for remote participation both worked effectively and had a number of benefits, including—as the hon. Member for Buckingham said—reduced travel times for councillors and the public, and greater transparency and openness.

What attracts us to this proposal is the fact that virtual meetings facilitated an increase—in many cases a dramatic one—of resident engagement in decisions, in part because remote participation made it far easier for a broader range of people, including those with disabilities, caring responsibilities and work commitments, to take part in meetings for the first time. New clause 69 simply seeks to ensure that those benefits, particularly increased public participation in planning decisions, can be enjoyed on a permanent basis.

However, it is important to say that it does not seek to do so prescriptively. While the language used is drawn from section 78 of the Coronavirus Act 2020, we would expect any regulations to follow to provide for local authorities to determine for themselves whether any given meeting is virtual or hybrid. That is on the basis that councils and councillors are best placed to decide how and when to use different meeting formats in particular circumstances. We feel strongly that it is important that they are given the freedom to do so.

There is widespread support for putting remote meeting arrangements on a permanent footing, including from the Local Government Association, Lawyers in Local Government, and the Association of Democratic Services Officers. As the Minister may know, the planning inspectorate already enjoys the freedom to offer virtual or hybrid meetings, at the discretion of a lead inspector, relating to hearings and inquiries.

To conclude, as every hon. Member knows, online meetings are now commonplace not just for work but for many other forms of social interaction. The public rightly expect that kind of accessibility for council meetings as well, and we are convinced that the freedom for local authorities to hold virtual or hybrid meetings will be welcomed by all our constituents.

We hope that allowing planning committees the option of meeting virtually, or permitting virtual participation in physical meetings, is an uncontroversial and common-sense measure. I hope that the Government are minded either to accept the new clause or, if they feel that it is defective in some way, to table one of their own that achieves the same aim.

Ben Bradley: I support the principles of the new clauses, although I will suggest a way in which they might need to be amended so as to apply not just to planning meetings, but to all council meetings. Throughout the pandemic, councils were allowed—and therefore invested in the technology—to permit members of the public to engage in council meetings through those mechanisms, and the public did. As the hon. Member for Greenwich and Woolwich said, engagement in many of those conversations was much higher during the pandemic. People were able to engage with them more easily from their own homes, and they probably had "Coronation Street" on in the background. The more something allows people to take part in a much easier way, the better.

As officers and councillors increasingly work in a more hybrid way, we are encouraging our staff in Nottinghamshire to work from home more, not least because of the practicalities—staff expect that these days. Financially, we do not want, and cannot afford, to run as many buildings as we currently have. Fewer people are in the office. Every time we have a face-to-face meeting that does not need to be face to face, that requires people to trek across the county. It requires councillors to do a three-hour round trip, sometimes for a 20-minute meeting. It is a waste of resources.

Through the pandemic, we also found that we saved thousands of tonnes of carbon—never mind the travel expenses—by not trekking around the county for meetings. I struggle to get opposition councillors, never mind members of the public, to attend some of our governance and ethics meetings. Accessibility is not an issue in that sense.

If there is to be a change to the new clauses, I ask Ministers to make them broader, to include all council meetings. Our full council meeting will always be an in-person public meeting; it is the exciting, set-piece event at the heart of our council calendar. However, many other meetings need not be. Giving local government that flexibility would be very welcome.

There has been a process to review this issue. There was a consultation a year or so ago, I think, and local government was asked to submit views. I can confidently imagine that the broad consensus was, "Give us flexibility, please, to make those decisions locally." We have done it before, and we can very easily do it again. When Ministers consider the new clauses behind the scenes, I ask that they make them broader still and give us the scope to make those decisions locally.

Tim Farron: The two new clauses are about trusting local communities. We are not saying that every meeting must be held virtually, but that local authorities—in this case, planning authorities—should have the power to do so, and for good reason. My preference is for in-person meetings, but for the reasons that have been set out, especially by the hon. Member for Buckingham, local authorities should have that power.

Every part of my patch is parish. There are 67 parishes, and some of them are bigger than most Members' constituencies and have not very many people living in them. To get from one end of the Lakes parish to the other, people have to pass three or four lakes. We should consider the age profile of some of the members of the parish councils and the distances involved. I said earlier that it rarely rains in the lakes, but occasionally it might. It certainly gets dark at certain times of the year. On a wet November night, holding a meeting on screen rather than physically is probably safer and better for everybody. Let us trust communities to make those choices on the go, and not impose.

The pandemic has been a traumatic and formative experience for us as a culture, as a society and as representatives of the people. We have learned many lessons, and some of them we should carry on with. I was disheartened and disappointed that some members of the Government seemed to be almost determined, as a point of principle, to close down any virtual operation of democracy during the pandemic—never mind at the end of it. It is encouraging to hear a cross-party outbreak of common sense today. It would be great if the Government listened.

Dehenna Davison: As a millennial Minister who is used to swiping and not to turning pages, Members might expect me to say that I prefer virtual meetings, but actually I do not. In-person meetings and the social element are important, yet we saw the value of virtual meetings during the pandemic, at the time when we needed them most. Hon. Members will remember the powers granted through the Coronavirus Act 2020, which allowed local authorities flexibility on remote and hybrid meetings, in certain circumstances. They will also know that those regulations expired back in May 2021. Since that date, all council meetings have had to be in person. The new clauses lean into the terms of those previous provisions and seek to replicate them on a permanent basis, but only for planning committees. I heard the points made by my hon. Friend the Member for Mansfield.

Looking beyond the circumstances of the pandemic, the Government considered that there may be benefits to permanent provisions for remote meetings, and that local councils may be keen to have the flexibility to use that provision as they see fit. I have been lobbied by a lot of my local parish councillors on the benefits that remote meetings can bring.

As my hon. Friend the Member for Mansfield highlighted, the Government conducted call for evidence last year to test the views of those who had participated in and experienced councils' remote meetings to inform our decision on this matter. I thank the shadow Minister, the hon. Member for Greenwich and Woolwich, and the hon. Member for Westmorland and Lonsdale for their points on trust in local governance and local planning, which we all agree is paramount. Increasing participation is only ever a good thing.

The Department has considered the responses to the call for evidence and we have been weighing the benefits, which hon. Members have highlighted, against views that physical attendance remains important to deliver good governance and democratic accountability. I take on board the point made by my hon. Friend the Member for Mansfield about the investment in the technology that a lot of local authorities had made, which must also be taken into account.

I genuinely thank my hon. Friends for tabling the new clause, but we need to first consider the call for evidence. We will issue our response, which will set out the Government's intentions. I ask for a tiny bit more patience and for the new clause to be withdrawn.

Greg Smith: The self-styled millennial Minister makes the commitment. Asking for slightly more time seems reasonable to me. However, if we are to be true to localism, I would double-underline and highlight the need to ensure that local people are able to participate in proceedings. Just as we can still have a witness virtually at a Select Committee in this place, councils should have the discretion to use virtual proceedings, to maximise participation locally. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 29

LOCAL AUTHORITIES TO BE ABLE TO RAISE PLANNING FEES TO COVER COSTS INCLUDING PLANNERS

"(1) Section 303 of the Town and Country Planning Act 1990 (fees for planning applications etc.) is amended as follows.

(2) After subsection (5) insert—

'(5A) Regulations made by the Secretary of State under this section may provide for local planning authorities to vary fees or charges under this section payable to the local planning authority to cover the reasonable costs of their exercise of planning functions.

(5B) In subsection (5A), "reasonable costs" includes the employment of qualified planners.'"—*(Greg Smith.)*

This new clause would enable the Government to allow local planning authorities to vary planning fees and charges to cover their costs relating to planning, which could include the employment of qualified planners.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

This new clause is pertinent to my local authority in Buckinghamshire, and I am sure that many local authorities up and down the land struggle with it. It is about the ability to vary fees and charges for planning so that local authorities can provide a good service to their residents.

My local authority, Buckinghamshire, borders London and, therefore, there is always a difficulty in recruiting, not just planning officers, but social workers or teachers or nurses, or whatever the public service role might be. When planning officers who are looking for work see jobs going in the London boroughs of Hillingdon or Harrow or, indeed, any of the London boroughs, they prefer to take the job with London weighting in those

boroughs than apply to Buckinghamshire Council. That leaves Buckinghamshire in a position where it finds recruitment of planning officers very hard.

If local authorities had the ability to vary fees and charges so that they could pay a better rate for qualified planners and planning officers to provide all residents with an excellent service, we could get over some of the practical difficulties that stifle recruitment and that would ensure councils would be in a position where they could, if they wanted to, respond to all planning inquiries within however many days or hear all applications in good time. To do that, they need the ability to have a geographic variance to meet the costs of attracting the very best staff to and wanting to work in that place, rather than in a neighbouring area where there is a job that can pay more.

3.45 pm

Lee Rowley: I thank my hon. Friend the Member for Buckingham for tabling the new clause.

I absolutely accept the validity of this discussion; it is an important one, and I am relatively sympathetic to the point that is being made. It is appropriate that we think through the balance between localism and centralism in this area, and my own personal instincts are that localism should take priority and precedence. So, if he is willing to withdraw this new clause, I am very happy to talk about this matter in more detail.

As I know my hon. Friend will know, we have already committed to increasing planning fees, as part of an earlier discussion. However, I am happy to talk about what he perceives as the need in this area over and above that, particularly given his own local circumstances.

Greg Smith: I very much welcome the Minister's comments; I fully accept that planning fees are allowed to go up and I look forward to having a discussion with him about how some geographical areas, particularly those areas that border London and that compete with London weighting, need to have greater flexibility.

In the meantime, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 30

HOUSING POWERS OF THE MAYOR OF LONDON

"(1) Article 7 of the Town and Country Planning (Mayor of London) Order 2008 (direction that the Mayor is to be the local planning authority) is hereby revoked.

(2) Section 333D of the Great London Authority Act 1999 (duties of the Authority and local authorities) is amended as follows.

(3) At the end of subsection (2) (general conformity with the London housing strategy), insert—

', but any housebuilding target in the London housing strategy is advisory not mandatory and should not be taken into account in determining planning applications.'"— *(Greg Smith.)*

This new clause would remove the Mayor of London's power to direct a London borough that the Mayor will be the local planning authority for a development, and clarify that any housebuilding target in the Mayor's housing strategy is advisory only.

Brought up, and read the First time.

Greg Smith: I beg to move, That the clause be read a Second time.

We come to the end of this marathon run of new clauses. New clause 30 is one that could be a little bit prickly to navigate.

Without wanting to get into a debate about personalities who occupy the office of Mayor of London, the new clause seeks to test where the principle of localism actually sits, because across the London boroughs there are locally and democratically elected councils or directly elected mayors, and across the whole of the capital there is the Mayor of London. The councils and directly elected mayors, and the Mayor of London, have planning powers, which is an anomaly that has been thrown up and that causes political tension, when there is a Labour Mayor and a Conservative borough, or indeed when there is a Conservative Mayor and a Labour or Lib Dem borough. That tension is real; it exists.

My instinct is always that the most local area should be the one that makes the decision rather than the regional area or a pan-regional area. I accept that that is an ideological position of mine; it is how I believe decisions are best made. However, there is clearly a tension. I have talked to colleagues, such as my right hon. Friend the Member for Chipping Barnet—this new clause has also been tabled in her name—and my right hon. Friend the Member for Chingford and Woodford Green (Sir Iain Duncan Smith), who has been very engaged in this debate as well, so I know that that tension exists.

It might not be my preference, but it might be the case that the most appropriate decision-making level in London is the regional level, which is the Mayor of London. I do not believe that it is, but that would be a legitimate answer. Alternatively, is it the London boroughs that have primacy when it comes to planning? If we are true to the principle of subsidiarity, it would be the London boroughs, but at the moment that tension exists. However, if we were to make the Mayor's powers in relation to the boroughs advisory as opposed to compulsory, we would take that tension away.

I offer the new clause to the Committee as one that identifies a very tightly defined geographical problem that affects many Members' constituencies and causes a lot of community upset, where a London borough's planning authority is essentially over-ruled by a regional structure.

Lee Rowley: I thank my hon. Friend the Member for Buckingham for tabling the new clause. I will resist the opportunity to defend the current incumbent Mayor of London, as I am sure he would expect, although I know other members of Committee would disagree with me.

A number of us in this room share experience of local government in London; at least three of us here—I apologise if I have missed anyone—served simultaneously on different councils in London. I served on Westminster council for eight years, until 2014. Even when there was alignment between regional and local tiers in terms of party, I recall a number of disagreements about individual applications and the general principle of where the relevant powers should sit. We will probably not resolve that philosophical debate today, other than to say that I acknowledge the concerns of my right hon. and hon. Friends who have put their name to the new clause.

[Lee Rowley]

It is particularly important to acknowledge the difference between inner and outer London, and the difficulties of making sure that policies can apply to both areas equally. I think we should tread extremely carefully when considering whether to amend the strategic powers of the Mayor, even if I happen to disagree with much of what the current incumbent does. Although my hon. Friend for Buckingham has made known his strength of feeling about the matter, and that of other colleagues, I ask him to withdraw the new clause.

Greg Smith: I welcome the Minister's comments, and as I acknowledged, it is a difficult issue to navigate. It almost reopens some of the devolution questions. It is an anomaly that many London colleagues, certainly on the Conservative Benches, feel and I welcome the Minister's commitment to work with them and me. Like him, I was a London borough councillor just a little way up the river from him for 12 years, some moons ago, and felt the same pressures. If he is willing to work with London colleagues to find a satisfactory way through this, I am content to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 34

LOCAL GOVERNMENT CAPITAL INVESTMENTS: ECONOMIC APPRAISAL

"(1) This section applies to local government capital investments of a value of £2 million or more.

(2) Before making an investment to which this section applies, a local authority must—

(a) commission an economic appraisal of the investment, and

(b) publish the findings of that appraisal."—*(Rachael Maskell.)*

This new clause would require local authorities to commission, and publish the findings of any capital investment of the value of £2 million or more.

Brought up, and read the First time.

Rachael Maskell: I beg to move, That the clause be read a Second time.

It is a pleasure to move the new clause and to give the hon. Member for Buckingham some respite. The new clause relates to fiscal responsibility in local government. Without proper viability being sought, local authorities can pay millions of pounds on projects and never reap the return. That is why the new clause relates to capital investments and economic appraisals, which should be undertaken and understood, but without a Green Book-style appraisal, local authorities can end up paying and developers and landowners gaining, with ultimately no reward and benefit to the local community. The new clause is designed to ensure that the finances on any project are transparent and for the benefit of local people. It would ensure that there is gain for all and not ultimate loss, not least given that we are talking about the use of public resources. That is why the new clause is important.

The case study to which I want to refer particularly is that of the York Central site. The cost of bringing that site forward is now believed to be £200 million of public funding. As that project moves forward, more and more is being demanded from public sources to fund it, and yet the local authority may never see a return on that investment. City of York's infrastructure investment was planned to be around £35 million, but it has now been given an estimated debt cost of £57 million based on April interest rates, which will clearly be significantly higher now.

The Department for Levelling Up, Housing and Communities has also put in £77 million and it is believed that more than £50 million will have to come through the Mayor's budget once it is approved and in place—we are expecting that to be in 2024. In a briefing, councillors were told that the council would need to put in £85 million and debt costs to fill the gap, but we could now be talking about nearer £100 million rather than the £35 million once rejected. As a result, it is necessary to weigh up the viability of the site not for the developers, as set out, but for the local authority. It is that check that is not required for such a project today, but it is really important, not least because local authorities simply do not have the necessary margins and, as a result, have to cut back on vital services to fund such capital projects.

My amendment therefore calls for prudence. On sites where any capital investment over the value of £2 million is made, there must be an economic appraisal commissioned and then published assessing the financial viability of the site to the authority. York Central has been developed for housing, so it will not reap the opportunities that a larger business owner could bring in nor those to do with council tax, as most of the properties being developed will be for investment, not for local residents to live in. They will either be empty units, leading to a cost to our city, or will be turned into Airbnbs, a matter that I will turn to later. Of course, Airbnb falls under the thresholds of flipping the property, not paying council tax and not paying business rates either, so the local authority loses millions of pounds as Airbnbs dodge the system.

At a time of significant austerity in local government, it is crucial that more scrutiny is given to the costs it has to expend on sites. My amendment simply calls for proper governance over finances and, at a time when the whole nation is looking at how Governments at all levels are more prudent with the spending of their money, it is right to bring forward such a measure to ensure that public money is spent in a way that will see its return and will be for the benefit of the people, not the developers and landowners who ultimately gain from such development.

Dehenna Davison: I am grateful to the hon. Member for York Central, who always talks incredibly passionately about her constituency. I thank her for bringing her experience of the capital project she mentioned to the Committee. As a Conservative, my ideology tells me that ultimately we always need to get best value for taxpayers' money.

The Government recognise the importance of local capital investment for economic growth, improved public services and meeting our priorities, such as on housing delivery. That is why we need a robust system that supports the benefits of local decision making and allows sensible investment while safeguarding taxpayer's money and protecting the local government finance system. Unfortunately, in recent years a small minority

of local authorities have taken excessive risks with taxpayers' money; they have become too indebted or have made investments that have ultimately proved too risky. That is why we need to ensure that the system is fit for purpose.

The changes made through clause 71 provide a flexible range of interventions for the Government to investigate where capital practices may have placed financial sustainability at risk and to take steps to remediate issues if necessary. We think that that is sufficient to address risk.

We have recently taken a number of steps to improve the transparency of local authority capital investment and borrowing. Last year we completed our data survey, which is designed to extract new data from local government and fill our identified information gaps. As of February 2022, we amended our regular statistical returns to obtain more detailed data on local authority investment activity. That will provide the Government with the clarity they need on the performance of investment assets as well as the location and risk management of investment properties.

4 pm

The Government regularly review how data can be improved further. Additional data asks need to be considered carefully to make sure that they are appropriate and proportionate to identifying risk. We are also developing an analytical process to pre-emptively identify risks in the sector, including those local authorities that might be engaging in risky activity or non-compliance with the existing framework. This includes better use of the quantitative data we collect, combined with intelligence gathered from sector engagement and monitoring.

Rachael Maskell: I am grateful for the Minister's contribution. However, will she acknowledge that even if the viability of a site stands up, some of the investors in it may not? What ultimately happens is that local authorities become the backstop for financing and have to fill the gaps in order for those sites to be brought forward. As a result, the benefit goes to the developer and the risk sits with local authorities.

Dehenna Davison: I have certainly heard what the hon. Member has said, and we all have examples from our own constituencies and authorities. The current legislation and statutory codes allow local government to appraise risks as they stand. Alongside that, the monitoring and provisions that we are seeking through clause 71 will provide central Government with assurance. We think that the new clause is unnecessary, and I ask the hon. Member to withdraw it.

Rachael Maskell: I am grateful to the Minister for giving way again. Reflecting on the example that I gave, will she say how her Department would scrutinise the funding of sites such as the one in York Central to assess the viability of the local authority's having to make increased contributions? Has the Department done that?

Dehenna Davison: I will be happy to follow up with the hon. Member on that point in writing.

Rachael Maskell: I thank the Minister for her response, but I am not satisfied that what she says will be sufficient to ensure that there are safeguards on local public resourcing that is brought forward on a site, particularly one as important as the York Central site, where eye-watering sums of money are being spent. I will therefore read with care what she writes to me to see whether there are sufficient safeguards. If I am not satisfied, I will want to return to this issue at a further stage of the Bill, but for now I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

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

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.'"—*(Tim Farron.)*

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

Brought up, and read the First time.

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

The Committee divided: Ayes 5, Noes 8.

Division No. 18]

AYES

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

NOES

Bradley, Ben	Mortimer, Jill
Davison, Dehenna	Rowley, Lee
Huddleston, Nigel	Smith, Greg
Moore, Robbie	Vickers, Matt

Question accordingly negatived.

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)."—*(Tim Farron.)*

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

Brought up, and read the First time.

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

The Committee divided: Ayes 5, Noes 8.

Division No. 19]

AYES

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

NOES

Bradley, Ben	Mortimer, Jill
Davison, Dehenna	Rowley, Lee
Huddleston, Nigel	Smith, Greg
Moore, Robbie	Vickers, Matt

Question accordingly negatived.

New Clause 43

REVIEW OF PERMITTED DEVELOPMENT RIGHTS

"(1) The Secretary of State must, within 12 months of the day on which this Act is passed, publish a review of permitted development rights under Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 (S.I. 2015/596).

(2) The review must include an assessment of—

(a) the past effectiveness of permitted development rights in achieving housing targets;

(b) the quality of housing delivered under permitted development rights;

(c) the impacts of permitted development on heritage, conservation areas and setting;

(d) the estimated carbon impact of the use of permitted development rights since the expansion of permitted development to demolition;

(e) the relative cost to local planning authorities of processing permitted development compared to full planning consent;

(f) potential conflict between existing Permitted Development Rights and the application of national development management policies;

(g) the impact of permitted development rights, or other policies in this Act designed to deliver streamlined consent, on the efficacy of levelling-up missions.

(3) The review should make recommendations."—*(Rachael Maskell.)*

Brought up, and read the First time.

Rachael Maskell: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 68—*Review of Permitted Development Rights*—

"(1) The Secretary of State must establish a review of permitted development rights under Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended).

(2) The review should include an assessment of:

(a) the past effectiveness of permitted development rights in achieving housing targets;

(b) the quality of housing delivered under permitted development rights;

(c) the impacts of permitted development on heritage, conservation areas and setting;

(d) the estimated carbon impact of the use of permitted development rights since the expansion of permitted development to demolition;

(e) the relative cost to local planning authorities of processing permitted development compared to full planning consents;

(f) potential conflict between existing permitted development rights and the application of national development management policies;

(g) the impact of permitted development rights, or other policies in this Bill designed to deliver streamlined consent, on the efficacy of levelling-up missions.

(3) The Secretary of State must publish a report of the recommendations made by this review no later than twelve months after this Act comes into force."

This new clause would commit the government to carrying out a comprehensive review of permitted development rights within 12 months of the Bill securing Royal Assent.

Rachael Maskell: I rise to move new clause 43 and to support new clause 68. They mirror one another and therefore emphasise the need for a review of permitted development rights, which are a major issue in planning.

New clause 43 calls for a change in the Town and Country Planning (General Permitted Development) (England) Order 2015. It would require a review to be published, within a year of the Bill becoming law, on the effectiveness of permitted development rights in achieving housing targets. Much planning permission is granted on the basis of balancing the economic viability of a site in favour of developers. Planning authorities may stipulate the framework around that, but it is not uncommon for developers to come back to authorities pleading that the site does not hold viability and seeking to change the tenure of units planned for it.

Furthermore, we have a housing crisis. The Government are right to want to fix it by setting targets for the number of units to be built, but if those units are unaffordable to a local population, or if they are sold as investment properties—as assets—and remain empty or are converted into short-term holiday lets, the housing demand is not addressed. Worse, property prices can heat up the market, resulting in a greater pool of people who are unable to access housing, which is making things far worse.

By allowing such a liberalisation of planning, not least for developers, the Government are creating a worsening situation. Rather than resolving the housing situation, they are pushing people out of their localities, as people cannot afford to either buy or rent. Now, with the economic crisis, they cannot get a mortgage either, but cash buyers can scoop up properties and then drive revenue through holiday lets. In York, we are seeing that in spades. York Central promises to be such a site of

investment properties rather than homes, with the wrong housing in the wrong place heating up the market and exposing our city to even greater numbers of short-term holiday lets. This has to stop.

My new clause would enable a review, which would include an examination of the quality of housing delivered. I cannot tell hon. Members the scale of shoddy workmanship that we are witnessing. Developers hand their properties over to property management companies and then deny responsibility. Water ingress is common. Sinks are fitted just with silicone, and not properly plumbed in. Wiring is half done. Bin stores are turned into inaccessible bike shelters. The list of unresolved complaints is endless.

York is naturally concerned about its heritage and conservation sites, and we want to ensure that its archaeology is preserved, too. On the environment, we know that new developments help to solve the carbon crisis rather than add to it. If measures are not reviewed and taken seriously, we know that transport planning can be poor, as we are seeing on the York Central site. That will have an impact on the rest of the city. I have already mentioned the thorny issue of the cost to local authorities of the mess that is being created.

Reviewing permitted development rights, as the new clause seeks to do, is about addressing all the consequences, foreseen and unforeseen, of rushing planning through, not least at a time when planning departments across our communities are significantly under-resourced and under-powered. The new clause seeks a review, which is needed, and we want to see action following on from that. If the Government committed the resources and time needed to carry out a review of a such a significant issue, they could make such a difference to communities up and down the country. The review would ultimately be of real value to the Government, by ensuring that the planning system is working effectively for the purpose for which it is designed.

Matthew Pennycook: I rise to speak to new clause 68, in my name and those of my colleagues, and to speak in support of new clause 43. I congratulate my hon. Friend the Member for York Central on tabling new clause 43 and on her powerful remarks, not least about the contribution of the extension of permitted development rights to the affordability pressures in urban parts of the country such as hers.

It is a matter of public record that the Opposition have long-standing concerns about the detrimental impact of the liberalisation of permitted development rights on local communities. The Government have always justified the progressive liberalisation of those rights on the grounds that it removes unnecessary administrative impediments to development in the planning system. There is no doubt that the extension of PD rights since 2013 has boosted housing supply; estimates suggest that it has led to a net increase of around 100,000 dwellings. However, the increased supply secured as a result of deregulatory measures over recent years, and the significantly reduced control of rural and urban land that they entail, has come at the cost of a loss of affordable housing and infrastructure contributions, and an increase in poor-quality housing, with obvious implications for public health and wellbeing.

Evidence of the negative impact of the extension of permitted development for the conversion of office, commercial and industrial units to housing is now ubiquitous. A report published by the Ministry of Housing, Communities and Local Government in July 2020—at the same time, incidentally, that Ministers were setting out plans for a further extension of PD rights—found that, in comparison with schemes created through planning permission, permitted development schemes were far less likely to meet national space standards and far more likely to have reduced access to natural daylight and sunlight.

Members may well have come across some of the more well-publicised examples of poor-quality PD schemes. Those include the Wellstones site in Watford, which involved the conversion of a light industrial building into 15 flats, seven of which had no windows at all; 106 Shirley Road in Southampton, a former electric and gas fire shop, which was converted into six studio flats, each roughly the size of a single car parking space; and Terminus House in Harlow, a former office block converted into hundreds of homes, many with just one openable window, which has rightly been described as a "human warehouse".

4.15 pm

The problem is that those cases are not aberrations; they are symptomatic of the kind of unacceptable development that the extension of PD rights has enabled. I put it to the Committee that we will be living with the human consequences, and the cost of rectifying the problem that has already been created, for decades to come.

The 2018 Raynsford review of planning concluded, in reference to the liberalisation of permitted development rights, that

> "government policy has led directly to the creation of slum housing. Such slums will require immense public investment, either to refurbish them to a proper standard or to demolish them. Morally, economically and environmentally it is a failed policy".

That judgment cannot be written off simply as the criticism of a former Labour Minister. The Government's own Building Better, Building Beautiful Commission concluded in its final report:

> "In some instances, we have inadvertently permissioned future slums."

That is a damning indictment of nine years of planning deregulation in this area.

As the Government make changes to the planning system through the Bill, there is an incontrovertible case for their taking the opportunity to comprehensively investigate and assess the impact of the progressive expansion of PD rights over the past nine years and to consider the case for returning control to local planning authorities. New clause 68 would commit the Government to carrying out that comprehensive review of permitted development rights within 12 months of the Bill securing Royal Assent. I look forward to the Minister's response.

Lee Rowley: I thank Opposition Members for tabling the new clauses, and I understand why they have done so. In all processes, there will be challenges; there will be difficulties at the margins in how things work and where people try to push boundaries beyond where they are intended to be. I do not disagree that there will be examples around the country where PDRs have not been used in the right way, in the same way that there

[Lee Rowley]

are problems with the existing planning system when people go through planning applications, or with enforcement when people have not done that.

There are problems in all systems, and I accept that the Government's job is to try to minimise those problems while recognising that it is always a work in progress. I particularly accept the challenge that the hon. Member for York Central made about holiday lets and the like. I am happy to discuss that with her separately, if that would be helpful.

There is obviously a question about where we strike the balance between enabling processes to continue to happen in a way that is sped up, gives certainty and clarity, and brings out the "right answer" most of the time, and where additional consideration or time, or additional processes, are required. The latter all comes with cost, in terms of time and clarity, for those making applications. That balance is very difficult to strike, but we are trying to strike it by ensuring that the PDRs in the system, but also a significant proportion of applications that potentially require further consideration, go through the normal process.

The challenge that I have with the new clauses—I absolutely do not mean to caricature them—is that, in the way that they are written, they seek a review of every single element of PDRs. I know that the Opposition Front Benchers know that a significant amount of permitted development rights are relatively uncontroversial. The Opposition are effectively saying that, in order to look at problems that are understood and that need consideration and review—I am happy to talk to them about what we should do with those, if we are able to—we must also look at every single other PDR, including things such as how porches, chimneys, flues and microwave antennae are changed.

I am not sure that is the Opposition's intention, so I gently ask them to consider withdrawing the new clauses on the basis that, while I am happy to continue the conversation, I think that their approach may be disproportionate to their intention.

Mrs Lewell-Buck: The Minister admitted that PDRs are not being used in the correct way. He feels that our new clauses seek a review of every element of PDR, but if he and the Government do not want to review every element, what elements would they review? He has already admitted that the system is not working properly, so will he offer an alternative?

Lee Rowley: For clarity, I said that no system is perfect. That is not necessarily a recognition that anything is systemically wrong, although I am happy to debate individual instances if Opposition Members believe that to be the case. We will never create a perfect system. I am sure that we all intend to make the processes better. There will be differences of view, both in the Committee and outside it, about where it is appropriate to draw lines in terms of the use and non-use of PDRs. That will be a discussion long after we have left this place. I am keen to hear from colleagues on both sides of the House about where they think PDRs are not working in the ways that we hope, recognising that no system is perfect but hoping that they are used correctly in most instances. I do not think, however, that it is proportionate to do a wholesale review of PDRs at this stage.

Mrs Lewell-Buck: I thank the Minister for being generous in giving way again. I do not think that he quite understood the point that I was making. He said that PDRs are not being used in the right way, so where do he and the Government feel that they need to be looked at? I am not getting any clarity.

Lee Rowley: I am happy to clarify. I did not say that PDRs were not being used in the right way; I said that no system—

Mrs Lewell-Buck: You did. I will check *Hansard*.

Lee Rowley: I know that *Hansard* will demonstrate the context. I was saying that no system is perfect. I was not making any comment on individual PDRs, but I have said to colleagues on both sides of the Committee that I am happy to discuss individual areas where they have concerns, outside of a proposal for every single one of the 155-odd PDRs to be reviewed in detail within a timeframe that is not particularly proportionate. If there is a problem, let us talk about it in individual areas, but this approach is disproportionate. I hope that the Opposition will consider withdrawing the motion and having a separate discussion about specific instances that have been raised, and others that they are concerned about.

Rachael Maskell: I listened carefully to the debate, and I am grateful for all the contributions to it. The Minister will know that we are not putting forward a plan to tear up the whole PDR framework; we are simply calling for a review, as we believe is appropriate. After a scoping review, we would determine which points to drill down on, to ensure that we are looking at the parts of the system that are simply not working. That is the intention behind the new clause. Although it has a broader scope, it homes in on some of the challenges in the system. I therefore do not think that the proposal to put a scoping exercise in the legislation is unreasonable. I welcome the Minister's offer of dialogue on these matters, which clearly are significantly impacting our communities. Dialogue will be really important. I will not press my new clause to a vote, but I will certainly take up that offer.

Matthew Pennycook: As I think the Minister will expect, I am naturally disappointed by his response. There are times when hiding behind the fact that there are trade-offs in balancing problems is appropriate; there are times when it is just a fig leaf, and not doing anything about a glaring problem. His own Department has produced evidence that it is not just a problem at the margins. I encourage him to go and see some of the sites being allowed on appeal because of national planning policy. It is not a problem at the margins; it is endemic, and intrinsic to the liberalisation of PD rights that has been allowed over the past nine years.

It is a straw man for the Minister to say, "We can't do this, because it's reviewing all PD rights." Uncontroversial elements of PD can be dealt with very quickly; we are talking about the problematic aspects and the expansion of PD rights over the past nine years. It is causing a

huge amount of human suffering, if nothing else. For that reason, not least to signal the Opposition's intent to deal with this matter if and when we form the next Government, I will press new clause 68 to a Division when the time comes.

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

Clause, by leave, withdrawn.

Ordered, That further consideration be now adjourned. *—(Nigel Huddleston.)*

4.25 pm

Adjourned till Thursday 20 October at half-past Eleven o'clock.