

BUDGET 2020 AND ENGLAND PLANNING REFORMS

The week beginning 9 March 2020 provided the biggest indication yet of the new Government's thinking on the English Planning system. The [Budget 2020](#) was published and Secretary of State for Housing, Communities and Local Government Robert Jenrick [made a statement](#) about English planning reform and the likely content of the upcoming Planning White Paper (coming in spring). We now know we will also be seeing a new National Infrastructure Strategy, Housing strategy and Comprehensive Spending Review later this year (probably in July). This document summarises everything we know so far.

The planning system

Digital: The Government appears to be prioritising the potential of new technologies to modernise the planning system. Use of technology will be promoted with the aim to make it easier for local communities to play a role in the decisions that affect them and to both shorten and simplify the plan-making process. Over the last few years, [the RTPI and Connected Places Catapult have been working together to understand how better data, tools and systems can support the creation of sustainable, resilient and inclusive places.](#)

Local plans: There is clear emphasis on speeding up the local plan making process with all local authorities required to have an up-to-date local plan – the government will require all local planning authorities to have up-to-date local plans by December 2023. The formula for calculating housing need will also be reviewed to encourage more building in urban areas

Application process: There is currently limited information on how a statutory timescale for decisions, ending the automatic right to public inquiry, encouraging early agreements on compensations and exploring scope to remit more decisions back to local authorities will function. We await further details in the Planning White Paper.

Resourcing: We welcome the review of planning fees with a new planning fee structure proposed tied to performance on speed and quality. Another proposal was for automatic rebates where planning applications are successful at appeal. [RTPI research has identified](#) cuts of 42% faced by planning departments. We have called for the resourcing needed to build strong and responsive local planning departments, as well as for exploring whether fee setting should be devolved to local authorities.

Zoning: The Planning paper proposed expanding the use of zoning tools to support development – the government will outline further support for local areas to simplify the process of granting planning permission for residential and commercial development through zoning tools, such as Local Development Orders. The RTPI are currently preparing a consultation response to the government's [consultation on Freeports](#), which proposes the use of zoning.

Transparency and land ownership: Promote transparency on who owns land including by requiring greater transparency on land options.

Housing

Investment in housing. The Budget and Planning papers introduced a number of new investment commitments. The affordable homes programme is being given an additional £9.5 billion, to make up £12 billion over the 5 years beginning 2022. There is a £10.9 billion increase in housing investment to support the commitment to build at least 1 million new homes by the end of the Parliament, and an average of 300,000 homes a year by the mid-2020s. Finally allocations from the Housing Infrastructure Fund totalling £1.1 billion for nine different areas including Manchester, South Sunderland and South Lancaster, to unlock 70,000 new homes.

Support for local authorities to increase housing delivery. There were proposals for further support for Compulsory Purchase Orders to help facilitate land assembly and infrastructure delivery (this will likely be consulted on). The New Homes Bonus will be reviewed with a view towards better rewarding local authorities who are delivering new homes – something the RTPI called for in [our response to the Revised NPPF](#). There will also be a 1% cut in interest on local authority borrowing for social housing - this is a welcome reversal of an increase which was made last year.

Permitted developments rights for (1) building upwards, increasing density in line with local character and make the most of local infrastructure; and (2) demolishing vacant buildings to be replaced with residential units (with high design quality including natural light standards). Neither of these proposals are unexpected - [see the RTPI response to a consultation on similar proposals in January 2019](#). There is a target of increasing delivery on brownfield, with £400m of funding and the launch of a national brownfield map with a call for proposals for building above stations

Other housing-related proposals:

- Reviewing policy to prevent building in areas of high flood risk - assessing protections in NPPF and considering further reform.
- The ongoing consultation on First Homes was mentions (discounted market sale for first time buyers with local connection) – [RTPI will soon be submitting a response on this](#).
- Reviewing the formula for calculating Local Housing Need
- Examine and develop the case for up to four new Development Corporations in the OxCam Arc at Bedford, St Neots/Sandy, Cambourne and Cambridge, which includes plans to explore the case for a New Town at Cambridge.
- In due course, the government will announce plans to improve the energy efficiency standards of new built homes. [The RTPI set out our response on the Future Homes Standard proposals in a consultation in February 2020](#).
- An additional £1 billion to remove unsafe cladding from residential buildings above 18 meters to ensure people feel safe in their homes
- New National Shared Ownership Model
- Renters Reform Bill

Design

The Secretary of State welcomed the Building Better, Building Beautiful Commission's report. In advance of the Government's full response to the report he announced they would be taking forward recommendations including:

- Making tree lined streets the norm for new developments
- Update the National Planning Policy Framework to embed principles of good design and placemaking
- Introducing a fast track for beauty

The MHCLG statement also reiterated plans to introduce a new National Model Design Code to set out clear parameters for promoting design. Local places will also be encouraged to produce their own design guides and codes. RTPI's report on [Planning and Design Quality](#) offered recommendations for improving design quality and place making through planning.

Transport

Over £1billion from the Transforming Cities Fund is outlined which includes £800 million for bus and cycling infrastructure. £300m was announced to tackle nitrogen dioxide emissions in towns and cities and £20 million to develop the Midlands Rail Hub. Funding was also announced to improve accessibility with £50 million to improve the situation at 12 stations, including Newtown in Powys, Beeston in Nottinghamshire, Eaglescliffe in County Durham, and Walkden in Greater Manchester. Recent RTPI research on [A Smarter Approach to Integrated Infrastructure Planning](#) highlighted five principles of good infrastructure planning and we are keenly awaiting the upcoming National Infrastructure Strategy.

The Government are promoting the roll out of electric vehicles with £532m for consumer incentives for ultra-low emission vehicles, taxes reduced on zero emission vehicles. There will also be an additional £500 million over the next five years to support the rollout of a fast-charging network for electric vehicles to ensure that drivers are never more than 30 miles from a rapid charging station. To target spending from this fund effectively, the Office for Low Emission Vehicles will complete a comprehensive electric vehicle charging infrastructure review. RTPI research on issues such as electric vehicles were addressed in our report [Planning for a Smart Energy Future](#) which explored how the planning system can take a proactive, forward-looking and positive approach to supporting the UK's transition to a smart energy future.

There was significant additional funding for roads - the second Road Investment Strategy will spend over £27 billion between 2020 and 2025 and a new Potholes Fund that will provide £500m a year.

Climate

[Climate Change](#) is a major theme in the recently launched [RTPI Corporate Strategy](#). There were few major proposals relating to climate change in the budget and the MHCLG statement. We hope to see more substantial commitments in the National Infrastructure Strategy and Planning White Paper. We will continue to make the case that it is crucial to [resource planners to tackle climate change](#).

Funding: A new Natural Environment Impact Fund with up to £10 million to help prepare green projects that could be suitable for commercial investment in order to encourage private sector support for environmental restoration. The aim of making home heating zero carbon by 2050 is backed up by extending the Renewable Heat Incentive for another year and consulting on a new low-carbon heating and consulting on a “low-carbon heat support scheme”. £640 million for a “nature for climate fund” to protect natural habitats, including 30,000 hectares of new trees and restoring 35,000 hectares of peatland over the next five years. There will also be £5.2 billion over 6 years for flood and coastal defences in England (a doubling of the amount spent currently). MHCLG’s paper also referenced plans for a Net Zero development in Toton in the East Midlands.

Devolution

The Budget referred to a Devolution white paper to come in the summer setting out how the government intends to meet its ambition for full devolution across England. In the meantime, a new devolution deal in West Yorkshire was announced establishing a Mayoral Combined Authority with a democratically elected Mayor for the region from May 2021. This deal will provide £1.1 billion of investment for the area over 30 years, as well as devolving significant new decision-making powers on transport, planning and skills. We are specifically encouraged to learn that the Combined Authority will have spatial planning powers allowing the production of a Spatial Development Strategy. This deal also underpins the agreement of a long-term intra-city transport settlement for the region starting in 2022-23. RTPI’s paper on [Smart City Regions](#) sets out our view on how data, technology and governance can combine to drive a new wave of strategic planning.

There will be £4.2 billion from 2022-23 for five-year funding settlements for eight Mayoral Combined Authorities (in West Yorkshire, Greater Manchester, West Midlands, Liverpool City Region, Tyne and Wear, West of England, Sheffield City Region and Tees Valley). Elected Mayors will be encouraged to put forward ambitious plans. Potential projects include the renewal of the Sheffield Supertram, the development of a modern, low-carbon metro network for West Yorkshire and tram-train pilots in Greater Manchester.

The Government also plans to move 22,000 civil service roles out of central London with the majority of these to the other regions and nations of the UK in the next decade. The Government announced plans to establish a significant new campus focused on economic decision making in the north of England, this will include teams from HM Treasury, DIT, BEIS and MHCLG.

High Streets

RTPI is currently involved in the [High Streets Task Force](#). The budget and planning paper included proposals relevant to High Streets with the Secretary of State talking of reimagining town centres and high streets in his statement. There appears to be a focus on housing-led regeneration to support towns and high streets. There will be a fundamental review of business rates, due to report in the autumn. A target of increasing delivery on brownfield backed up with £400m of funding and the launch of a national brownfield map and a call for proposals for building above stations. There will also be further support for Compulsory Purchase Orders to help facilitate land assembly and infrastructure delivery and consult on additional reforms.

Also relevant are renewed commitment to permitted developments rights for (1) building upwards on already developed land and stations, increasing density in line with local character and make the most of local infrastructure; and (2) demolishing vacant buildings to be replaced with residential units (with high design quality including natural light standards). [See the RTPI response to an earlier consultation on this in January 2019.](#)

RTPI's initial response

The RTPI is ready to engage on the detail of these matters through the anticipated consultations over the coming weeks and months. We will announce further details when we have them and will call on members to share their expertise.

We were pleased with the infrastructure first approach of the budget and the recognition that planners are essential for ensuring timely delivery of places that meet the needs of the community. The announcement of increased devolution for West Yorkshire, which will now become a mayoral combined authority with spatial planning powers, is in line with RTPI calls for increased devolution of powers. We welcomed the Chancellor's announcement that £5.2 billion would be spent on flood and coastal defences over the next six years.

However, the announcements on permitted development rights are less positive. The RTPI has long-standing concerns with the extension of permitted development rights which we feel will encourage a piecemeal, short-term approach. Extended PDRs risk poorly designed and inappropriately located housing and will make it more difficult for communities to have a say on development. It will also result in diminished developer contributions through application fees, which go towards affordable housing and infrastructure. One encouraging change from when these proposals were first mooted last year is that the governments says that new residential units should be 'well-designed' and meet natural light standards.

RTPI Chief Executive Victoria Hills will be meeting with the Housing Minister Christopher Pincher shortly and is looking forward to discussing PDRs in more detail then. The full RTPI Press releases to the Budget and the England planning reform announcements can be found below:

[RTPI applauds world-class ambitions for planning](#)

[Chief Executive of the RTPI responds to budget](#)