

29 October 2020

**CIC response to Planning for the Future, Planning Reform White Paper**

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For the attention of the Planning for the Future Consultation, Planning Directorate, 3rd Floor, Fry Building, 2 Marsham Street, London, SW1P 4DF

**From:** Graham Watts

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The Construction Industry Council (CIC) is the representative forum for professional bodies, research organisations and specialist business associations in the construction industry. An appendix to this letter provides more information about us.

An effective and efficient planning system is crucial to our membership. Our members collectively support and represent circa 500,000 individual professionals and 25,000 firms of construction consultants. The planning system will shape and impact the work of a high proportion of these practitioners as they plan, design, engineer, construct, maintain or operate homes, buildings and structures.

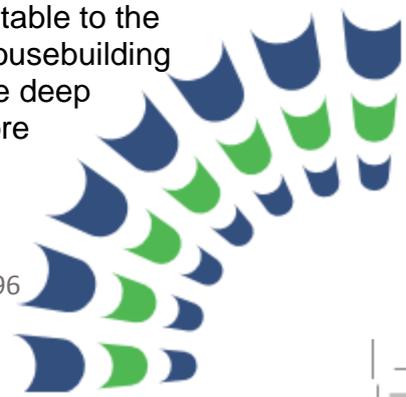
Any reform to the planning system is therefore of critical importance to CIC and we are keen to input into this important consultation in the hope of providing constructive and informed comments, drawn from the wide expertise of our membership. Our response concentrates on key areas of the proposed reforms where we can provide the most constructive feedback.

Many of our members will be submitting their own, more detailed, responses separately.

**a) Overarching comments on the purpose of the reforms**

There was general appetite for reform, but there was consensus that the planning system should not be blamed for the fact that housing targets were not being met. It does not need to be 'torn down' as the PM stated in his introduction to the White Paper.

CIC disagrees with the idea that the planning system is broken. Members agreed that the failure to build enough new homes was more attributable to the market, and specifically, the lack of house builders in the market. Housebuilding is still dominated by a handful of volume builders. SMEs do not have deep enough pockets to invest in infrastructure which is a deterrent to more



smaller firms coming back in the market (whilst existing Section 106 processes are also problematic for them).

The important conclusions in the 2018 Letwin review that greater diversity of supply was critical to increasing housing output, was noted.

So, although CIC members accept the need for some reform, they are not convinced that the radical changes suggested in the White Paper will produce the desired outcome, and, moreover, they may damage the chances of the Government achieving its home building targets.

Our view is that many of the mechanisms and processes already available in the current system would deliver improvement in outcomes, if they were bolstered and reinforced. We also feel it necessary to point out that a key reason why the planning system may be falling short of its ambitions is the lack of investment in local planning authorities. There needs to be significant investment in local authority capacity and skills. Under the proposed reforms, the plan-making stage becomes absolutely critical: as the focus of public engagement, as the process for designating all land uses and appropriate development typologies, and coordinating the infrastructure needed to support growth. Local authorities will need to be properly resourced if they are to deliver the boosted engagement levels envisaged.

Alongside this it is vital that any reforms support parliament's legislated targets for net-zero carbon by 2050. Therefore, carbon reduction has to be built into every aspect of a revised planning system.

CIC members think it important that in areas where homes are least affordable, plans should include significant numbers of affordable homes. Otherwise, simply building more homes is unlikely to improve affordability, which we note is one of the desired outcomes of the reforms.

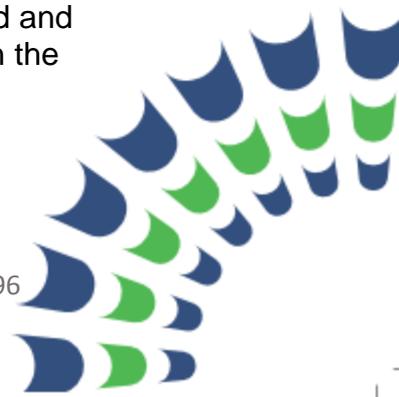
But again, the planning system cannot be blamed for lack of affordable housing, which is largely down to lack of government subsidy.

Finally, investment in local infrastructure is critical to deliver improvements in placemaking, and is a factor that too frequently gets overlooked.

## **b) Response to pillar one – Local plans**

### **Local Plans to be kept up to date**

A change that would make an early difference is introducing a statutory obligation on each Local Planning Authority to produce a local plan, keep it up to date, make sure development and infrastructure is well connected and ensure that the plan makes provision for the housing need set out in the MHCLG's proposed new approach to measuring need.



Local Plans must include within them plans for development that meets clearly expressed carbon reduction targets, both in terms of up-front construction and whole-life consumption. Such targets must be set to enable to legislated net-zero carbon commitment by 2050.

We note in the introduction to the White Paper it states: “Although it is a statutory obligation to have an up to date Local Plan in place, only 50 per cent of local authorities (as of June 2020) do, and Local Plan preparation takes an average of 7 years (meaning many policies are effectively out of date as soon as they are adopted).”

We concur that this is unhelpful and would agree with proposals that will see local authorities and the Planning Inspectorate be required through legislation to meet a statutory timetable (of no more than 30 months in total) for key stages of the process, and that there will be sanctions for those who fail to do so.

### **The introduction of zoning in Local Plans**

We appreciate that the rules-based area (or zoning) system proposed for Local Plans should improve certainty for developers – which we welcome – but this would be at the cost of facilitating the flexibility needed to make changes when circumstances change. Therefore, in our opinion, the downsides of the introducing such a system would outweigh the benefits.

Rules-based systems are too rigid given the need for planning to respond to changing circumstances – such as rapid change in household number, or economic circumstances. In this regard, we note the international evidence that rules-based systems work reasonably well in rules-based legal systems but less well in common law systems. In our view, zoning rules tend to inhibit the ability of plans to respond to change i.e. developers coming up with different solutions which suit the circumstances better.

As we have argued in the previous section, the current system of Local Plans is likely to work better than the areas/zonal approach suggested in the White Paper, provided the plans are produced and kept up to date and run alongside development management systems that consistently follow policy.

### **Digitalisation of the planning process**

The CIC also welcomes the proposals to improve the digitisation of planning, especially as it should speed up the processing of planning applications. This we consider will increase efficiency of planning and ensure saved resources can be devoted to the vital preparation and adoption of Local Plans and to those more complex applications which require a longer time to collect information and reach considered professional judgements.

Notwithstanding this, CIC is aware of the very significant reduction in the staff of planning authorities despite the introduction of planning fees and feels that



the Government aims can only be achieved by making more ring-fenced resources available to local planning authorities. Switching over to a digital process, though it will increase efficiencies, will need local authorities to invest significantly in new skills, which will require more initial funding.

### **c) Response to pillar two – Planning for beautiful and sustainable places**

#### **Introduction of design codes**

We welcome the Government's statements about the value of good design given that it can help to: improve health; create more environmentally sustainable places; attract investment; and support civic pride – all are key factors in place shaping. However, we believe that adopting design guides for local areas, rather than rigidly applying the codes, is the best approach. Design codes risk imposing a vernacular, thus stifling innovation and inhibiting more modern yet sensitive approaches to design.

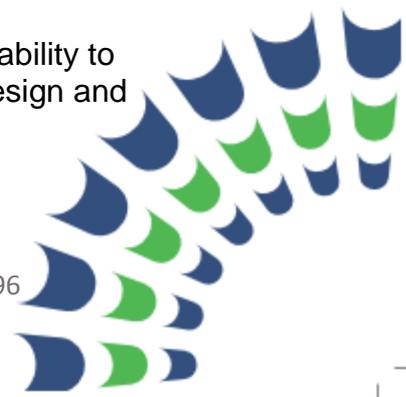
We also believe that diversity is as important as design itself and that good environments are often the product of many different designs coming together, rather than a monochrome template of hundreds of same-style homes creating a dull uniformity. Note the makeup of some of our most attractive towns, which have evolved over many decades with an abundance of different architectural styles.

That said, we acknowledge the use and production of design codes, particularly in post-industrial areas or smaller towns that have not traditionally had a history of good design, may be helpful. However, we also recognise that design needs to be considered in a broader context compared to how it is set out in the White Paper. Design coding must consider more than just the development itself but consider the wider local social and economic outcomes such as employment, infrastructure and how the development sits within a local community.

Again, we have concerns about how such improved design codes will be managed and structured considering the continued pressures to local authority resources. The CIC supports the proposals set out that would establish a body to support design guides or coding and essentially, building better places to live, work and play. There is, however, little clarity on who would oversee the work of this established body and what authority they will have in the planning process/system.

We would encourage Government to consider representation from the sector, including architects and developers, alongside planners and local government officials. The body would also need the resilience to manage the challenges associated with local democracy.

We also support the proposal that local authorities should have the ability to comment on good design with the appointment of chief officer for design and placemaking, as expertise in this area is currently variable.



We would also countenance against the idea that 'beauty' should be the basis for fast-tracking development. Design needs to be more than look. Rather, it must incorporate liveability, sustainability and affordability.

We believe that the space outside dwellings is as important as the design of homes themselves and we are concerned at the inflexibility of highways authorities which can undermine innovative designs. Again, we believe there needs to be more flexibility in the design of highways as part of measures being introduced to create 'beautiful places.'

We also want to see more integration between such guides and building control so that a golden thread runs through new home developments, and thus securing design and internal standards.

Sustainable places must be defined as those that will support UK's legislated goals for net-zero carbon by 2050. This requires that planning permission must be conditional on achieving targets for reduced carbon for construction up-front and in use.

### **The requirement for a chief planning officer**

CIC welcomes the proposal for every local authority to have a chief officer responsible for planning and place making. The CIC believes this will improve the standing of planning among elected members, which is an important factor given the apparent willingness of members to ignore officer advice on planning applications, leading to the large number of planning appeals.

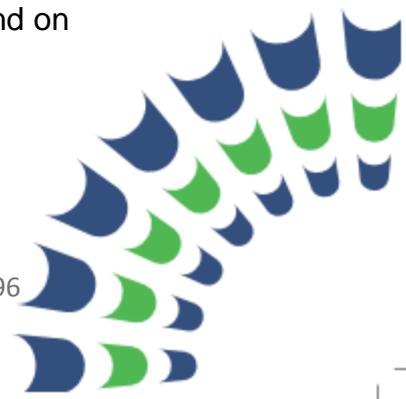
Moreover, having a chief planning officer at the top table can also provide a long-term vision, certainty for development and the necessary join-up between investment strategies at local government level.

### **d) Response to pillar three – paying for infrastructure**

#### **The infrastructure levy**

We acknowledge the potential of the proposed new infrastructure levy to provide more certainty about developer contributions to infrastructure and new affordable homes. However, we are concerned that it has the potential to introduce as much uncertainty as the current systems, especially with respect to fixing levy rates, value thresholds and the valuation of gross development value at the time of planning consent and at final occupation.

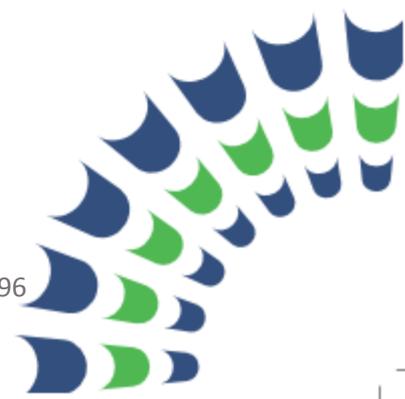
We are particularly concerned at the way the proposals will de-link payment from the contractual obligations under S106 in relation to the provision of infrastructure. We worry too that local authorities will pay high risk premiums in borrowing against levy payments, reducing what is available to spend on infrastructure.





We would caution against the introduction of the infrastructure levy. But if it is to be introduced, then it will be absolutely critical to ensure the fund is ring-fenced to prevent the funds nominally levied to pay for new affordable homes and infrastructure subsequently leaking into general local authority spending.

**We would be very willing to expand on any of the above points.**



## Annex A

### About the Construction Industry Council

The Construction Industry Council (CIC) is the representative forum for the professional bodies, research organisations and specialist business associations in the construction industry.

Established in 1988 with five founder members, CIC now occupies a key role within the UK construction industry providing a single voice for professionals in all sectors of the built environment through its collective membership of circa 500,000 individual professionals and 25,000 firms of construction consultants. The breadth and depth of its membership means that CIC is the only single body able to speak with authority on the diverse issues connected with construction without being constrained by the self-interest of any particular sector of the industry.

Organisations and Professional Bodies in membership of CIC are shown below.

### Members of the Construction Industry Council

ACAI	Association of Consultant Approved Inspectors
ACE	Association for Consultancy and Engineering
APM	Association for Project Management
APS	Association for Project Safety
ASFP	Association for Specialist Fire Protection
BAFE	British Approvals for Fire Equipment
BCS	Chartered Institute for IT
BIID	British Institute of Interior Design
BRE	Building Research Establishment
BSRIA	Building Services Research and Information Association
CABE	Chartered Association of Building Engineers
CIAT	Chartered Institute of Architectural Technologists
CIBSE	Chartered Institution of Building Services Engineers
CIOB	Chartered Institute of Building
CIHT	Chartered Institution of Highways & Transportation
CIPHE	Chartered Institute of Plumbing and Heating Engineering
CIPS	Chartered Institute of Procurement & Supply
CIRIA	Construction Industry Research and Information Association
GF	Ground Forum
ICES	Chartered Institution of Civil Engineering Surveyors
ICWCI	Institute of Clerks of Works and Construction Inspectorate
IET-BES Sector	Institution of Engineering and Technology - Built Environment
IFE	Institution of Fire Engineers
IIRSM	International Institute of Risk and Safety Management
ISSE	Institute of Specialist Surveyors and Engineers
IStructE	Institution of Structural Engineers
IWFM	Institute of Workplace and Facilities Management
LABC	Local Authorities Building Control





LI	Landscape Institute
NHBC	National House-Building Council
RIBA	Royal Institute of British Architects
RICS	Royal Institution of Chartered Surveyors
RTPI	Royal Town Planning Institute

