



Lords Debate: Planning Bill

15 July 2008

Baroness Jo Valentine – Check against delivery

My Lords. The business community has long advocated reform of planning, to overcome long, longer, longest (interminable) delays in delivering vital national infrastructure. Does democratic accountability have to equate to as much as 20 years from concept to delivery?

We need to find a better solution for UK-level strategically important projects which affords proper scrutiny and accountability but secures reliably prompt decisions in the national interest. I support the Bill as it stands in this regard.

Another area has attracted less debate, and it is on this which I will focus today.

London is forecast to grow by nearly one million jobs and people by 2026. This means over half a million new homes, new offices, shops, and other developments. Much of this is in the East End – where if the 2012 Games don't catalyse regeneration we will have missed a great opportunity.

Development is critical if we are to grow and remain competitive; if London doesn't continue to grow, the whole UK economy will stall.

It is important to improve and speed up planning for essential major infrastructure. But also to deliver, at the right time, the infrastructure needed to support development of homes and commercial floorspace at a local level.

The Beatle, John Lennon said: "Life is what happens while you're busy making other plans." While we're making plans we must provide the infrastructure to support life. I mean improvements to transport capacity, schools, parks, doctors' surgeries and community facilities. This is what creates living neighbourhoods and makes development acceptable to existing communities.

The government must plan longer term for infrastructure funding: three year funding commitments sit uncomfortably with 15 year local authority development plans, especially when the proposed Community Infrastructure Levy (CIL), requires councils to prepare infrastructure plans alongside those development plans.

Local authorities will assess what development is needed to support growth, the infrastructure therefore required, availability of public funds, and finally, what developments can contribute towards the cost.

We need infrastructure delivery integrated with development. When the housing development is planned, the primary school should be planned alongside. If public funds can provide only £9 million of the £10 million cost, then CIL might provide, the additional £1 million, from the developer, but the delivery of the school at the right time remains down to the public sector.



This is of course iterative, if the proposed CIL cost is too high for developments to bear, the infrastructure priorities and phasing will have to be reviewed.

Yes, CIL is a major step forward in infrastructure planning, but it must be established and refined through the well tested, democratic processes of the development plan system.

It is not a panacea. In many cases it will represent a small part of the overall cost. If the CIL is set too high development simply won't happen. We won't get the homes and commercial development needed to support economic and population growth.

CIL must be considered alongside other planning requirements such as those for affordable housing and sustainability. There is a real risk that if this is not done holistically, affordable housing delivery will fall as developers are priced out by high CIL charges.

Local authorities must not make developers pay for the same infrastructure twice - under CIL, **and** as part of 'scaled back' section 106 agreements. 106 agreements should address only site specific matters.

London First, the organisation which I lead, was one of the proponents of this alternative to the Government's potentially counter-productive 'Planning Gain Supplement' proposal. Delivery has been at the heart of the idea and should be fundamental to the way it works – not raising revenue. Delivery is what matters to communities, business and developers.

In summary and to close:

We have the chance to make real progress on timely and integrated delivery of infrastructure: not just the big ticket items like Crossrail but the nitty-gritty that supports everyday lives. We must get it right. We must establish the right framework and mechanisms to plan and deliver infrastructure.

- CIL must be part of the Development Plan system.
- CIL must not reduce or replace government funding.
- Clarity is needed on how and when infrastructure will be delivered, including long term Government funding commitments; and
- Infrastructure covered by CIL should be set out in regulations, not overlapping that sought from section 106.

- ENDS -

For more information please contact Graham Capper on 020 7665 1505 or gcapper@londonfirst.co.uk