

<b>Committee(s):</b> Natural Environment Board Planning and Transportation Committee	<b>Dated:</b> 11 December 2025 2 December 2025
<b>Subject:</b> The Planning and Infrastructure Bill	Public
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	Dynamic Economic Growth Leading Sustainable Environment Vibrant Thriving Destination Flourishing Public Spaces
<b>Does this proposal require extra revenue and/or capital spending?</b>	N/A
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Paul Wright, City Remembrancer, Katie Stewart, Executive Director of Environment	For Information
<b>Report author:</b> Philip Saunders, Parliamentary Affairs Counsel	

### Summary

1. The proposals in the gargantuan Planning and Infrastructure Bill that attracted the most media attention were those intended to speed up and streamline the delivery of new buildings and infrastructure. Many of those high-profile provisions relate to energy projects, consenting and offshore electricity transmission. The Bill runs to 111 clauses and 190 pages.
2. Some aspects of the Bill have generated controversy, not least those related to the environment. There was robust argument about the proposals for a national scheme of delegation of planning decisions, that would create a standardised national framework about which planning functions should be dealt with by planning officers, by planning committees and sub-committees.
3. Other proposals include:
  - Changes to the existing schemes of mitigations and controls relative to the environmental impacts of developments
  - A reduction in the number of statutory consultees in planning applications
  - New arrangements for local planning committees, and increasing the capacity of local planning authorities (LPAs)
  - That LPAs will be permitted to recover the cost of planning fees.
  - Reforms to the compulsory purchase order process
  - Changes to the process of street works approval in order to accelerate the installation of electric vehicle public charge points

The provisions of most interest to the City Corporation are outlined in this Report, which has been written in collaboration with officers in Natural Environment and Planning. The Bill is nearing the end

of its Parliamentary process, as it has completed its Third Reading in the House of Lords, its second House.

### **Parliamentary Commentary**

4. Labour's General Election manifesto contained provisions that have made their way into the Planning and Infrastructure Bill, most notably commitments to increase the rate of housebuilding, to introduce a presumption in favour of sustainable development, the building of new towns, reforming compulsory purchase compensation rules and implementing changes to environmental protections. Labour also committed to making it simpler to deliver national infrastructure projects.
5. Introducing the Bill, the then Secretary of State for Housing, Communities and Local Government Angela Rayner said the measures were crucial for achieving economic growth, building more houses, and fast-tracking 150 major infrastructure projects. Responding for the Opposition, Kevin Hollinrake said the Bill represented a "top-down model driven by arbitrary targets and central diktat", and that it would side-line local voices. He supported some of the moves to simplify the planning system. For the Lib Dems, Gideon Amos agreed with Conservative opposition to centralisation, but gave his support to building more houses and permitting local flexibility on planning application fees. He said the party was "gravely concerned" about the effect of the Bill on nature.
6. At committee stage, there were tense debates on proposals for a national scheme of delegation of planning decisions. Whilst the Minister alluded to the benefits of "greater consistency and certainty" about which decisions are made at planning committee, opposition Members described it as a "power grab" and "centralising".
7. Particular criticism was aimed at the parts of the Bill related to environmental protections. Labour backbenchers tabled substantive amendments to the measures, politicians on all sides, the Government's own Office for Environmental Protection, and campaign groups objected to the changes as being detrimental to the natural environment. In an unusual move, on the final day of the committee stage on the Bill, a group of 81 leaders of environmental organisations, lawyers, academics, professional bodies and businesses released a statement calling for a "pause" on these elements of the Bill. The Government rejected those entreaties.
8. Local Government Minister Matthew Pennycook asserted that the Bill would not permit developers to harm the environment without consequences. He said the Bill was "not a means of making unacceptable development acceptable" and that the Bill would give Natural England the ability to request planning conditions. He insisted that existing protections for important sites and species in national planning policy would not be changed. He said the Bill would not allow for "irrecoverable harm", such as the destruction of irreplaceable habitats.
9. In the House of Lords, following many weeks of debate, the Government inserted several new provisions intended to strengthen some environmental protections. The broad effect will be to encourage the retention of environmental features on development sites, rather than permitting environmental improvements at other sites to make up for damage at development sites.

## **Infrastructure and Planning**

10. The intentions set out in Labour's 2024 manifesto included increased building and improvements to transport and energy infrastructure, which the Government regards as critical in relation to major infrastructure projects such as Sizewell C and the Lincolnshire Reservoir. Highlighted below are the aspects that are of most relevance to the City Corporation.

### *Electric Vehicles*

11. Installation of electric vehicle charging points on the public road network is currently subject to several different statutory schemes and consents procedures. The New Roads and Street Works Act 1991 (NRSWA) and the Traffic Management Act 2004 (TMA), for example, require those carrying out street works to apply for either a permit or a licence under NRSWA from the relevant Highway Authority before carrying out works. Permits are available to those with a statutory right to carry out works on the highway, whereas those who do not have a statutory right can apply for a NRSWA licence. The Bill builds on a Conservative Government proposal to grant electric vehicle charge point operators access to the street works permit scheme. Consequently, the Bill will remove the need for licences where the works are capable of being authorised by permits.

### *Pre Planning Consultation in Nationally Significant Infrastructure Projects*

12. Nationally Significant Infrastructure Projects (NSIPs) were introduced as a statutory concept in the Planning Act 2008. Examples of projects qualifying as NSIPS include power stations, railways, offshore wind farms and reservoirs.
13. The Bill sets out a new power for the Secretary of State to give a direction disapplying the requirement for development consent for certain specified development falling within the meaning and description of an NSIP. During debates in Commons committee, the Government introduced a new clause that removed the requirement for NSIP applicants to consult before making their application. In the future, an applicant submitting an application for development consent will no longer be required by statute to consult statutory consultees, landowners, local authorities and the community before submitting their application to the Secretary of State. As a consequence of this change, the Bill also removes the definitions of local authorities and categories of persons for the purposes of the statutory consultation and the requirement for an applicant to take responses to consultation and publicity into account when preparing their application.
14. The effect is that an applicant is no longer required to provide a consultation report as part of the documentation required when submitting their application for development consent to the Secretary of State. As the requirement to prepare a consultation report has been removed, the Bill also removes the requirement for the consultation report to be made available to the public for inspection.

### *Planning Fees*

15. In 2024, the previous Government sought views on how to ensure the consenting processes for delivering transport infrastructure were effective and resilient. Building on that consultation and in a change that will enable the City Corporation to recover its costs of running planning

application services, the Bill proposes that local planning authorities (LPAs) will be able to charge more flexibly. This is likely to result in local and regional variations in planning fee rates. Authorities - including the City Corporation - will be permitted to recover the costs of delivering their relevant planning functions, namely the full expenses incurred by LPAs carrying out their relevant planning function related to the processing and determining of planning applications, including for technical specialists. The fee must not exceed cost recovery.

16. This aspect of the Bill will come into force 2 months after Royal Assent, most likely in the early part of 2026.

#### *Planning Committee Reform*

17. In new arrangements that will affect the City Corporation - and as forecast in a Government working paper produced in February 2025 - planning committees will be reformed. Much of the detail will be contained in regulations to be produced separately. In outline, the changes include introducing a national scheme of delegation that will (through subsequent regulations) set out which planning functions should be delegated to planning officers for a decision and which should go instead to a planning committee or subcommittee. The Bill sets out a power to limit the size of planning committees.
18. The Government's stated aim in relation to a national scheme of delegation is to ensure that there is greater consistency and certainty across England about who in a local planning authority (LPA) will be responsible for making planning decisions. It is also intended to speed up decision making by ensuring that planning committees focus their resources on complex or contentious development where local democratic oversight is required.
19. Following objections, the Government will not pursue proposals for dedicated planning committees on strategic development.
20. Planning committee members will be required to undertake mandatory training before they can make planning decisions. The details of this new system will be set out in separate regulations but could include matters such as determining applications for planning permission, issuing enforcement notices and determining applications for advertisement consent. Only those who are certified as having satisfactorily completed training will be permitted to be involved in planning decisions. LPAs must publish on their websites which of their committee members hold valid certificates confirming the completion of the training. The Mayor of London and anyone authorised to deputise for him will be subject to the same regime.

### *Compulsory Purchase*

21. The Bill changes the Compulsory Purchase Orders (CPO) process and land compensation rules to enable more effective land assembly through public sector-led schemes. This includes allowing statutory notices to be delivered electronically, simplifying information required to be included in newspaper notices, more delegation of decisions, quicker vesting of land/properties, and changes to the loss payments regime.

### *National Policy Statements*

National Policy Statements (NPSs) are produced by the Government and comprise the Governments objective for the development of nationally significant infrastructure projects. The following matters are within the scope of NPSs: energy infrastructure, transport, hazardous and waste water. Currently, planning authorities, including at the City Corporation, rely on NPSs as a framework for decision making in those specified areas. The Bill introduces, through amendments to the Planning Act 2008, a new requirement for NPSs to be subject to a full review and updated at least every five years.

## **Nature**

### *Overview*

22. This part of the Bill is of significant interest in relation to the City Corporation's open spaces.
23. The existing regimes of environmental protection, the obligations on developers and the approach to mitigations are highly complex and are typically discharged on a project-by-project basis. The Bill proposes to replace the current approach to environmental mitigation and protection with a more generalised approach. The Bill establishes a Nature Restoration Fund (NRF) as an alternative approach – allowing developers new ways to discharge certain environmental obligations relating to protected sites and species.
24. The NRF will be made up of contributions from developers through a nature restoration levy. This will provide funding for Natural England (or another designated delivery body) to bring forward Environmental Delivery Plans (EDPs), that will set out the strategic action to be taken to address the impact that development has on a protected site or species.

### *Environmental Delivery Plans ("EDP")*

25. In a significant change to current arrangements, where an EDP is in place and a developer utilises it through paying the nature restoration levy, the developer would no longer be required to undertake its own assessments, or deliver project-specific onsite interventions.
26. Natural England will produce EDPs on one or more environmental effects of development relating to a specific geographic area and will specify the amount and type of development that will be within the scope of a Plan. The EDP will also set out how interventions will be monitored. Natural England will be required to publish reports on an EDP at the halfway and end points.

27. EDPs will set out:

- the environmental feature the EDP seeks to protect. This will be an ecological feature of a protected site (for example, a European Site, SSSI or Ramsar site), or a protected species
- the environmental impacts the EDP seeks to address. This includes information on the type and amount of development that can benefit from the EDP's cover
- the conservation measures to be taken, both to address those impacts and contribute to nature restoration. It should clearly set out whether conservation measures are being delivered locally or at the broader network scale
- the amount payable in relation to a development will cover the costs of these conservation measures. Whilst EDPs will usually be voluntary, there may be circumstances where use of an EDP may be mandatory if that is necessary
- the environmental obligations that are disapplied once the developer is liable to pay the nature restoration levy

28. Through an EDP, developers will be relieved of the requirement to conduct relevant environmental assessments, to the extent that the impacts covered by that requirement is instead dealt with through payment to the EDP. Natural England will then take responsibility for delivering the conservation measures in the EDP.

29. When preparing an EDP, Natural England must:

- notify the Secretary of State that it is preparing an EDP on a particular issue in a particular area
- prepare the draft EDP having regard to relevant strategies and guidance
- consult the public, statutory consultees, local authorities and any other bodies Natural England or the Secretary of State considers relevant, taking their views into account
- send the final EDP to the Secretary of State for consideration as to whether to approve the EDP.

30. When making a decision on whether to make an EDP, the Secretary of State must be satisfied that the conservation measures set out in the EDP outweigh the negative effects of the development. In making this decision, the Secretary of State will benefit from the views of consultees and, where applicable, the expertise of Natural England in preparing the EDP, as to the adequacy of the proposed measures and the safeguards included in the EDP.

31. Once made, EDPs will have a defined 6-week challenge period.

32. In response to the negative reactions to this part of the Bill at committee stage, including from the Office for Environmental Protection and most nature conservation organisations, the Government introduced measures aimed at reassuring critics. These new measures include requiring EDPs to demonstrate how conservation measures will be maintained and over what period, strengthening the requirement on the Secretary of State so that they must be satisfied that conservation measures outweigh environmental harms, clarifying that the negative effect the Secretary of State must consider relates to the maximum amount of development described in an EDP, and ensuring that Natural England has sufficient powers of entry to survey or investigate land.

33. In a last-minute change in the Lords, intended to ally continued concerns about environment protections, the Government changed the Bill so as to place a requirement on the Secretary of State to make regulations setting out a prioritisation of the different ways in which the negative effect of development which may be subject to an EDP may be addressed. The Minister summarised the change as being to provide transparency as to how Natural England will undertake the preparation of an EDP and how it should prioritise the actions available to it to deliver the overall improvement test. This amendment will allow the Government to bring forward regulations setting out the appropriate prioritisation of actions taken to address the negative effect of development through an EDP. Overall, the change will express the principles of the existing mitigation hierarchy in the Bill's new arrangements.
34. The City Corporation's Natural Environment officers remain concerned at the lack of clarity regarding environmental mitigation hierarchies (which are prioritised, step-by-step frameworks for addressing the environmental impacts of a project, starting with avoidance of impacts, followed by mitigation, then restoration, and finally offsetting any unavoidable residual impacts). Whilst a Ministerial Statement has recognised the use of mitigation hierarchies in EDPs, parliamentarians are likely to continue to pressure the Government to add certainty to their status in the planning system.

## **Conclusion**

35. Officers will closely monitor changes to NSIP consultations and engage with the Government as the regulations, guidance and consultations develop – to reinforce the importance of collaboration and local involvement during the NSIP process. The City Corporation will have a new level of interaction at the level of development and open space protection with developers and Natural England.
36. On planning, the Bill attracted significant media and public attention, but the matters of interest to the City Corporation are relatively limited in number. Administrative changes will be required to the Corporation's planning committee arrangements to align with the requirements outlined above.

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