

## **Aldersgate Group response: consultation on proposed reforms to the National Planning Policy Framework and other changes to the planning system**

**September 2024**

### **Background**

The Aldersgate Group is an alliance of major businesses, academic institutions, professional institutes and civil society organisations driving action for a sustainable and competitive economy. Our members have operations across the UK economy and include companies such as Associated British Ports, CEMEX, Johnson Matthey, National Grid, Suez, The Crown Estate, Scottish Power, and Siemens. They believe that ambitious and stable low carbon and environmental policies make clear economic sense for the UK.

We develop independent policy solutions based on research and the expertise and diversity of our members. Through our broad membership, we advocate change that delivers benefits to an every-growing spectrum of the economy. The response to this consultation draws on previous Aldersgate Group responses and input from members.

### **Questions**

#### **Chapter 3 Planning for the homes we need**

##### **Q6. Do you agree that the presumption in favour of sustainable development should be amended as proposed?**

The Government should consider how climate change and nature recovery can be best incorporated into the presumption to ensure new high-quality and environmentally sustainable developments are promoted.

Climate and environmental objectives must be effectively incorporated into the NPPF to ensure that any trade-offs between land use for development are well balanced with land use for climate and nature benefit. The Government should clarify how the NPPF will operate alongside the upcoming Land Use Framework, Local Nature Recovery Strategies, Strategic Spatial Energy Plan and other spatial planning policy.

##### **Q12. Do you agree that the NPPF should be amended to further support effective co-operation on cross boundary and strategic planning matters?**

We agree that the NPPF should further support effective cooperation on cross-boundary and strategic planning matters. We welcome the specific reference to climate resilience. Nature is also a cross-boundary issue; we recommend that the Government include nature recovery in the amendment. Wider policy and resource support will be needed to ensure that cooperation is effective, including consideration of cooperation in upcoming policies such as the review of the Environment Improvement Plan, the Land Use Framework and other land use, spatial planning, and planning policy development.

The NPPF must explicitly incorporate environmental targets set out in the Environment Act and the net zero emissions target by 2050. Given the significance of these legally binding targets, it will be essential that these are explicitly considered and incorporated into the framework.

## **Chapter 5 Brownfield, grey belt and the Green Belt**

### **Q27. Do you have any views on the role that Local Nature Recovery Strategies could play in identifying areas of Green Belt which can be enhanced?**

Local Nature Recovery Strategies have an important role to play, and the Government should consider how the NPPF can best support their delivery. LNRs are currently under development, and it will be important to consider what guidance, and support can be provided to ensure that additional uses such as identifying areas of Green Belt can be incorporated during development or in future iterations to an appropriate standard across local areas. It is also unclear at this stage how much variation there will be across different LNRs, which may have implications for the scale of work needed to ensure the LNRs incorporate new uses.

### **Q36. Do you agree with the proposed approach to securing benefits for nature and public access to green space where Green Belt release occurs?**

We welcome the Government's approach to securing benefits for nature and public access to green space. However, ambition must be significantly increased to ensure that the planning system can best deliver for nature. Planning plays a critical role in ensuring the UK can meet its housing needs, use land sustainably and contribute towards the protection of the natural environment. This is why nature and climate must be sufficiently embedded throughout the planning system from an early stage so that it becomes possible to identify cost-effective and innovative solutions to meet both our housing needs and respond to the climate and nature crises. It will be important that the Government's current proposals and future reforms seize on this opportunity and further elaborates on the proposals at every stage of the planning process.

## **Chapter 6 Delivering affordable, well-designed homes and places**

### **Q59. Do you agree with the proposals to retain references to well-designed buildings and places, but remove references to 'beauty' and 'beautiful' and to amend paragraph 138 of the existing Framework?**

Buildings and places must be sustainable and delivered in line with the Government's environmental and climate targets. 'Good quality' and 'well-designed' buildings and places must incorporate energy efficiency, climate resilience and nature recovery as much as possible. The UK has some of the least efficient homes in Europe; the NPPF has a role to play in ensuring that all new buildings are affordable, fit for the future and sustainable. The Government should also outline what the Future Home Standard will be to further provide certainty for the sector to deliver. With a clear, long-term policy framework, the Government can enable demand and growth of the sustainable construction sector and related products.

## **Chapter 7 Building infrastructure to grow the economy**

### **Q62. Do you agree with the changes proposed to paragraphs 86 b) and 87 of the existing NPPF?**

We welcome the proposed changes. As recommended in the Aldersgate Group briefing on *Placing decarbonisation at the heart of industrial strategy*, the Government should set out an industrial strategy that identifies which value chains are a priority for growth and take a spatial lens, considering regional opportunities. To ensure the success of the industrial strategy, the Government must develop a joined-up policy package, nurturing an enabling environment for businesses to invest and grow. This includes planning policy, ensuring that businesses do not face unnecessary barriers to sustainably develop or grow new sites for their operations.

## **Chapter 8 Delivering community needs**

### **Q69. Do you agree with the changes proposed to paragraphs 114 and 115 of the existing NPPF?**

The Aldersgate Group strongly supports the adoption of a vision-led approach to transport planning. The Government should ensure that relevant stakeholders are supported to adopt this new approach, with guidance and resources where appropriate.

## **Chapter 9 Supporting green energy and the environment**

### **Q72. Do you agree that large onshore wind projects should be reintegrated into the NSIP regime?**

Yes. Onshore wind is one of the cheapest forms of electricity generation, lower than wholesale electricity prices and is forecast to get even cheaper. Onshore wind has a key role to play in delivering a decarbonised electricity system by 2030 and meeting our 2050 net zero target. A policy framework supportive of onshore wind is required to deliver on that commitment; without it, the UK will not be able to decarbonise its power supply.

We welcome the Government's action to reintegrate onshore wind projects into the NSIP regime, as well as remove the barriers preventing the consenting and construction of onshore wind projects. Onshore wind should be treated as other renewable energy technologies in the planning system. The Government should ensure that onshore wind projects can progress through the planning system, speeding up consenting where appropriate. The Aldersgate Group, in collaboration with CPRE, the Countryside Charity, and RenewableUK are exploring how the NSIP regime can be improved for renewable energy and grid projects to deploy new infrastructure at pace, whilst protecting nature and communities' right to input. Recommendations for improvements will be published in the autumn, and interim findings were published in July 2024 (*Insights for the decarbonised electricity system: journeys through planning*).

We found that the NSIP regime overall is viewed positively by renewable energy developers as it provides a high degree of process certainty and objective assessment. This factors into some developers' decisions on whether to enter the NSIP or TCPA process, with process certainty as one of the reasons to justify the additional resources needed for the NSIP process. The NSIP process also supports power cable connections, whereas projects going through the TCPA process will need to be located close to the grid or require permissions for cabling. The TCPA process can be quick, but it is also viewed as having the potential to be more subjective or driven by local politics. Uncertainty in timelines for the NSIP process is, however, increasing.

With a potentially high volume of new planning applications, decision makers, such as planners and relevant secretaries of state, must be supported to understand and implement changes to the planning system. Additional support may be needed for community engagement, particularly in England following the lack of onshore wind developments and potentially low public awareness of what onshore wind developments entail.

**Q73. Do you agree with the proposed changes to the NPPF to give greater support to renewable and low carbon energy?**

Yes. We welcome the Government's ambitions to decarbonise UK power; the NPPF forms part of the policies that must play an enabling role in this endeavour.

**Q74. Some habitats, such as those containing peat soils, might be considered unsuitable for renewable energy development due to their role in carbon sequestration. Should there be additional protections for such habitats and/or compensatory mechanisms put in place?**

An improved planning system would ensure that trade-offs for the use of land, such as its use for renewable energy development or carbon sequestration, are well considered. The Government should consider the evidence available and clearly outline its policy for how these trade-offs should be managed within the planning system. Policy clarity is essential to ensure the planning system can work effectively.

Strategic spatial planning should help inform decisions such as this one, drawing on the upcoming Land Use Framework, Strategic Spatial Energy Plan and Regional Energy Strategic Plans. The choice of location of new energy infrastructure should include consideration of nature and other potential uses of land, including for climate change mitigation and adaptation. Strategic spatial planning can help frontload these considerations early in the planning system to reduce potential challenges or negative unintended consequences from emerging later in the process.

Cross-boundary cooperation must also be supported to ensure good management of such habitats and their contribution to achieving nature and climate targets.

**Q75. Do you agree that the threshold at which onshore wind projects are deemed to be Nationally Significant and therefore consented under the NSIP regime should be changed from 50 megawatts (MW) to 100MW?**

The threshold at which onshore wind projects are subject to the NSIP regime, as opposed to TCPA, should be kept under regular review, supported by regular updates to the relevant NPS. We found that the NSIP regime overall is viewed positively by renewable energy developers as it provides a high degree of process certainty and objective assessment. This factors into some developers' decisions on whether to enter the NSIP or TCPA process, with process certainty as one of the reasons to justify the additional resources needed for the NSIP process. The NSIP process also supports power cable connections, whereas projects going through the TCPA process will need to be located close to the grid or require permissions for cabling. The TCPA process can be quick but it is also viewed as having the potential to be more subjective or driven by local politics. Uncertainty in timelines for the NSIP process is, however, increasing.

The threshold to enter the NSIP regime may also not necessarily align with what industry assess as cost effective, depending on project and technology costs. For example, a renewable energy proposal can be submitted into the NSIP regime if its output is above 50 MW; however, if it isn't cost effective to enter the NSIP process for a 50MW power output, applications will be submitted just under the threshold at 49 MW or significantly above 50MW.

The Government should also consider resource implications for both the TCPA and NSIP regimes, in particular, for statutory consultees and local authorities. The choice of threshold will have implications for the volume of applications entering either regime and efficient resourcing will be crucial to ensure applications can progress to consent efficiently, with certain timelines and minimal delay.

**Q 76. Do you agree that the threshold at which solar projects are deemed to be Nationally Significant and therefore consented under the NSIP regime should be changed from 50MW to 150MW?**

Echoing comments on the threshold for onshore wind projects in question 75, we recommend that the threshold at which solar projects are deemed to be Nationally Significant is kept under regular review, and supported by regular updates to the relevant NPS. The NSIP regime offers a high degree of process certainty and objective assessment, both factors considered by developers when designing projects and deciding to enter the NSIP or TCPA regime. Process certainty is one of the reasons to justify the additional resources needed for the NSIP process. The NSIP process also supports power cable connections, whereas projects going through the TCPA process will need to be located close to the grid or require permissions for cabling. The TCPA process can be quick but it is also viewed as having the potential to be more subjective or driven by local politics. Uncertainty in timelines for the NSIP process is, however, increasing.

The threshold to enter the NSIP regime may also not necessarily align with what industry assess as cost effective, depending on project and technology costs. For example, a renewable energy proposal can be submitted into the NSIP if its output is above 50 MW; however, if it isn't cost effective to enter the NSIP process for a 50MW power output, applications will be submitted just under the threshold at 49 MW or significantly above 50MW.

The Government should also consider resource implications for both the TCPA and NSIP regimes, in particular at statutory consultees and local authorities. The choice of threshold will have implications for the volume of applications entering either regime and efficient resourcing will be crucial to ensure applications can progress to consent efficiently, with certain timelines and minimal delay.

**Q78. In what specific, deliverable ways could national planning policy do more to address climate change mitigation and adaptation?**

The NPPF must incorporate climate and environmental objectives, including climate change mitigation and adaptation. It will be essential that the NPPF clearly incorporates the UK's net zero emissions target and environmental improvement plans so that all developments support our joint ambition to reverse the decline of nature and reduce our emissions to zero. Businesses strongly support this endeavour.

Planning plays a critical role in ensuring the UK can meet its housing needs, use land sustainably and contribute towards the protection of the natural environment. It is imperative that planning supports the deployment of technologies that support decarbonisation, as well as nature-based solutions for climate mitigation and adaptation. By embedding climate change mitigation and adaptation from an early stage, the planning system can nurture an enabling environment to identify cost-effective and innovation solutions to meet the different demands on land whilst addressing the climate crisis.

Adaptation also needs to be elaborated on further. The next Net Zero Strategy provides an opportunity to ensure that the NPPF contributes to climate change mitigation and adaptation as fully as possible. Adaptation and mitigation actions, such as tree canopy cover, should be considered at an early stage of any planning proposal, similar to that of our climate and environmental goals. Local authorities should also be provided with sufficient resources to be able to fully evaluate and compare proposals of this nature.

For example, research has shown that areas of countryside around urban areas help keep cities cool during the hottest time of year. The Government should consider how changes to the NPPF, including those applying to the Green Belt, may affect climate adaptation.

**Q79. What is your view of the current state of technological readiness and availability of tools for accurate carbon accounting in plan-making and planning decisions, and what are the challenges to increasing its use?**

A significant challenge to resolve and consider for the accuracy of carbon accounting in plan-making and planning decisions is the availability and readiness of high-quality data for carbon foot printing.

**Q80. Are any changes needed to policy for managing flood risk to improve its effectiveness?**

The NPPF has a role to play as part of a wider policy package to ensure flood risk is well managed and new developments are designed and built with flood resilience embedded. The NPPF should be joined up with other relevant policies to encourage investment in and deployment of solutions, including nature-based solutions.

**Chapter 11 Changes to planning application fees and cost recovery for local authorities related to Nationally Significant Infrastructure Projects**

**Q98. Do you consider that cost recovery for relevant services provided by local authorities in relation to applications for development consent orders under the Planning Act 2008, payable by applicants, should be introduced?**

Lack of resources at local authorities and statutory consultees is a significant challenge affecting the planning system, which contributes to delays and uncertainty in timelines for developers. Mechanisms to provide funding for local authorities to effectively participate in the planning system are important.

Cost recovery for services is only one part of the solution. Skills shortages, including ecologists, are increasing with growing demand from both the public and private sectors. Many local authorities do not have in-house ecologists. The new requirement for biodiversity net gain will exacerbate these resourcing challenges. NGOs and environmental experts have limited resources and, as developments increase, are not able to contribute their expertise to

consultations on all important developments. Cost recovery may also not provide consistent or longer-term certainty regarding funding positions in local authorities.

With pressures on the public purse and constraints on the number of skilled people available, efficient solutions to support capacity and resources at local authorities, as well as the pipeline of skilled people, will be essential. Expert hubs may provide an efficient solution to support local authorities with access to expertise, following the model of regional Net Zero Hubs or the NSIP Centre of Excellence hosted by Suffolk County Council.

## **Chapter 12 The future of planning policy and plan making**

### **Q105. Do you have any other suggestions relating to the proposals in this chapter?**

The Government should continue to look at how the planning system can be improved and made more efficient. The digitalisation of the planning system is an important next step to improve data sharing and accessibility, reduce duplication of efforts in data gathering, and enable better engagement and input from the different stakeholders involved in the planning system. This includes developers, local authorities, statutory bodies, environmental NGOs and local communities. The Linear Infrastructure Planning Panel has published valuable advice on this topic.

The government must also consider how to engage the public in the planning system and proposed changes. Public understanding and support will be essential for delivering the change required. Consideration of how the government can enable better community engagement on the project level is also important for delivering a more efficient planning process and better development outcomes.