

PLANNING FOR THE FUTURE - DETAILED SUMMARY OF OUR RESPONSE

In our response to the 'Planning for the Future' White Paper we welcome Government's ambition to deliver a simpler planning process, accelerate housing delivery and facilitate growth. However, we believe that there are major proposals within 'Planning for the Future' which could have a negative impact on quality of life and undermine Government's stated objectives, creating burdens and delay within the system whilst undermining the role of Local Authorities and communities in place-making.

As an internationally competitive hub of innovation, attracting the brightest and best from across the globe, it is clear that Cambridge's future standing and prosperity rely upon the city region being a well-planned and attractive place offering a high quality of life. These guiding principles shaped our response to the White Paper and should apply with absolute equity across the whole country, in line with the 'Levelling up' agenda and Government's commitment to 'Build Back Better'.

PILLAR ONE – PLANNING FOR DEVELOPMENT

We are fundamentally concerned that the proposals to simplify Local Plans risks creating a system that is both highly complicated and less accountable at the local level. Local areas, through their democratic leaders and through community participation, should retain primary authority at the plan-making stage, and practically be able to assess the merits of strategic developments as and when they are brought forward. As currently set out the proposals make the planning process less democratic, and with less opportunity for communities to understand, scrutinise and comment on the changes that are being brought forward in their local areas.

The proposal contains three zones: protected zones, renewal zones and growth zones. This is a very standardised approach, which provides little opportunity to differentiate between different types of areas where specific planning approaches will be required. The zoning process will also take considerable time to develop and require an extensive evidence base to formulate. We are concerned that challenges around the lack of resources which undermine the current system are not adequately addressed within the White Paper. We do not think that the imposition of a 30-month statutory timescale within which Local Planning Authorities will be required to prepare Local Plans is appropriate, it could have the consequence of producing poor or rushed plans under which local areas are burdened for many years.

Plans for the digitalisation of the planning system in the White Paper are supported. A modern, interactive and accessible map based online system may help to improve transparency and make engagement in the planning process easier. However, these changes also have the potential to place additional pressures on planning departments and do not alone guarantee greater community involvement in the planning system.

As an alternative to the proposals for a new Local Plan system we argue for progressive reform of the current system. A more accurate method for calculating housing need and a structure of strategic planning to distribute housing is required.

Calculating housing need

Cambridge Ahead recognises that debates about housing numbers can often dominate the Local Plan process and cause significant delays in the examination and adoption process. Whilst we agree that the standard method provides a potentially useful starting point for assessment of housing need, we do not support the proposals as currently set out in the White Paper. We are concerned about the accuracy of a national level formula to set binding housing requirements and that the new methodology will not reflect local circumstances or local ambition, based on assessed needs, to increase housing delivery.

We propose that employment growth should be a primary factor in the assessment of local housing need, in order to support the local economic growth potential, ambitions, and the housing needs of the workforce. In

addition, this opportunity should be taken to address the differences that exist between national datasets for employment growth and conflicting local datasets. The Cambridgeshire and Peterborough Independent Economic Review highlights that high employment growth in the region has been underestimated and therefore rates of housebuilding have failed to keep up with the level of need. A key reason for this is that general forecasting for the UK can fail to account for areas which are performing unusually strongly.

Local Planning Authorities should retain responsibility for considering and determining housing requirement in Local Plans, informed by central assessment of national need. This should be in the context of reformed local governance arrangements as set out below. An effective strategic planning model would better ensure the right distribution, as well as level of housing across the country.

An effective model of strategic planning

The role of local democratic leadership that engages communities and stakeholders in plan-making and development is a fundamental principle, which should be retained. It is through this that growth can be planned to best reflect the evidence and opinions of those that understand the unique characteristics of each place. However, Government is right to recognise that reform of the current system is required in order to streamline and fine-tune spatial planning. Because of the fundamental importance of local leadership we consider that strategic planning is the best reform to pursue. Two key principles should be considered:

- (i) Local Plans should be aligned with functional economic geographies. Local Planning Authorities that cover functional economic areas would inherently be better placed to consider and distribute growth than the current Duty to Cooperate.
- (ii) The need for Strategic Spatial Frameworks that cover multiple Local Plan areas so that regional growth, spanning multiple economic centres, can be facilitated and managed. These Strategic Spatial Frameworks by their very nature take the necessary regional view, and should also look out across a longer timeframe than Local Plans so that they indicate a longer-term direction of growth policy that Local Planning Authorities can prepare for and respond to.

PILLAR TWO – PLANNING FOR BEAUTIFUL AND SUSTAINABLE PLACES

The quality of the built environment and access to nature are major determinants of quality of life. We agree that the planning should set clear expectations for the form of development but in a way which also reflects local character and community preferences. While we welcome some level of design principles against which all developments should adhere, we believe that the use of prescriptive codes would be inappropriate, lack flexibility to respond to changing local characteristics, and stifle innovative architectural design.

In Cambridge and South Cambridgeshire, there are several examples where innovative design has delivered successful outcomes with excellent architecture and urban design, which would not have been delivered had there been very prescriptive national design guides and codes. Examples of exemplar schemes in the region include the award-winning 'Accordia' scheme on Brooklands Avenue, Cambridge, and more recently at Eddington, a new University-funded district to the north-west of the city. Where there are examples of widely recognised, outstanding design we do agree in principle that the system should enable these to be replicated more easily and quickly.

PILLAR THREE – PLANNING FOR INFRASTRUCTURE AND CONNECTED PLACES

Proposals to replace CIL and s106 present a range of challenges, which we believe will impact negatively on the population of Cambridge and other communities across the country.

- **Proposals may reinforce and exacerbate regional inequalities.** Cambridge Ahead is committed to the role that Cambridge can play within the Government's 'Levelling up' agenda. The White Paper proposes that Local Authorities would be allowed to borrow funds to pay for infrastructure or affordable housing delivery against

the anticipated receipts of the Infrastructure Levy. Authorities in lower value areas will have less to borrow against and as a result will be able to deliver less infrastructure and so attract less growth and build poorer quality areas. This has the potential to become a vicious downward spiral, which is difficult to escape.

- **Setting the Infrastructure Levy at the right level will be extremely difficult.** The level at which the Infrastructure Levy is set is extremely important in order not to be too high and therefore risk sites in lower value areas being unviable, or too low and therefore fail to capture an appropriate amount of value in high value areas. There is such significant variation in land values that even a regional rate will struggle to account for them. We are concerned that agreeing the Infrastructure Levy percentage is likely to be highly complicated and subject to significant political pressure.
- **The Infrastructure Levy appears to move away from a system that is designed to ensure that development specific planning impacts are adequately mitigated.** At present, in the case of larger scale strategic development in particular, a development proposal will only be acceptable if its immediate impacts are mitigated. The changes proposed to replace s106 with a new levy raises the question of what developers are going to be expected to do in future, directly in relation to their own developments. It is proposed that the new Infrastructure levy will be charged per development and collected and spent locally but it is not clear that it will need to be linked to the specific development itself.
- **Proposals to place the responsibility on the Local Planning Authority to deliver the infrastructure is an unnecessary burden.** This creates a risk for the developer over the timing of infrastructure delivery and so risks the development stalling. It is also not likely to be welcomed by Local Authorities, who will need to ensure they have the resources and skills to deliver infrastructure on a large scale, and will have a significantly increased burden of financial risk placed upon them.
- **Impact on affordable housing delivery.** We are concerned about how Government can guarantee that the proposed new system will secure at least the same amount of affordable housing as at present. No evidence is provided within the White Paper of the income likely to be secured via the levy. In the more immediate term after any changes are introduced it will take some time for changes to the system to 'bed in' and delivery is likely to slow down.

We propose that reforming the current CIL would be a much simpler, and more appropriate way of ensuring a capturing the uplift in land value for the benefit of the local community. These could ensure CIL is utilised at the right level for developments to remain viable but applied to permitted development and wider use classes. CIL can be applied to the major infrastructure needed on a regional-wide level and s106 used for local infrastructure delivery by the developer. For example, contributions to schools, libraries and major road network would be removed from s106, but on-site or off-site delivery of schools or highways improvements left in s106.

Affordable housing should continue to be delivered via s106, ensuring delivery via developer contributions continues at current levels. If every Local Planning Authority charged CIL on every development (with the exception of strategic sites as outlined below), the level of CIL could be reduced to not impact on viability of s106, but the overall national take from CIL would be dramatically increased. CIL could also be reformed to ensure that where there are viability issues for a particular development, it is CIL which is reduced, not the essential mitigation and affordable housing delivered through s106.

Recent research for Government found that many developers advocated zero-CIL rating on large housing sites where a bespoke s106 agreement was more appropriate because it guarantees that the connection between development sites and the investment of the developer's contributions is maintained¹. Some larger developers raised this as a key factor in Local Authority practice resulting in the faster delivery of such sites. A reformed CIL could be zero-rated for "strategic sites" where s106 is by far the most appropriate method to secure infrastructure delivery which is often critical to a scheme coming forward at all.

¹ Lord et al. , [The Incidence, Value and Delivery of Planning Obligations and Community Infrastructure Levy in England in 2018-19](#), August 2020