



Ministry of Housing,  
Communities &  
Local Government

Guidance

# Guide to the Planning and Infrastructure Bill

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Contents

Background

What does the Bill do?

Part 1: Infrastructure

Part 2: Planning

Part 3: Development and nature recovery

Part 4. Development corporations

Part 5: Compulsory purchase



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The Planning and Infrastructure Bill is central to the government's plan to get Britain building again and deliver economic growth. The Bill will speed up and streamline the delivery of new homes and critical infrastructure, supporting delivery of the government's Plan for Change milestones of building 1.5 million safe and decent homes in England and fast-tracking 150 planning decisions on major economic infrastructure projects by the end of this Parliament. It will also support delivery of the government's Clean Power 2030 target by ensuring that key clean energy projects are built as quickly as possible.

## Background

Sustained economic growth is the only route to delivering the improved prosperity our country needs and the higher living standards working people deserve. That is why it is this government's number one mission.

In our first 8 months in office, the government has taken decisive action to restore economic stability, increase investment, and reform the economy to drive up productivity, prosperity and living standards across the UK. To build the homes and critical infrastructure our country needs, we have already delivered the most significant reforms to our planning system in a generation, including the publication of a revised, pro-growth National Planning Policy Framework in December 2024. The publication of the Planning and Infrastructure Bill marks another major milestone in our reform programme.

## What are the government's objectives in legislating?

The Planning and Infrastructure Bill is an ambitious piece of legislation which will speed up and streamline the delivery of new homes and critical infrastructure. The Bill has 5 overarching objectives:

- 1. Delivering a faster and more certain consenting process for critical infrastructure:** A failure to build enough critical infrastructure, in particular Nationally Significant Infrastructure Projects (NSIPs), is constraining economic growth and undermining our energy security. Upgrading the country's major economic infrastructure – including our electricity networks and clean energy sources, roads, public transport links and water supplies – is essential to delivering basic services and growing the economy. The Bill will make it quicker and easier to deliver critical infrastructure projects including through streamlining NSIP consultation requirements, ensuring National Policy Statements are kept

up to date, and reducing opportunities for judicial review. These changes will support the government's Clean Power Action Plan by accelerating the planning process for energy infrastructure and ensuring local communities benefit through the creation of a bill discount scheme for people living closest to new electricity transmission infrastructure.

- 2. Introducing a more strategic approach to nature recovery:** When it comes to development and the environment, we know we can do better than the status quo, which too often sees both sustainable housebuilding and nature recovery stall. Instead of environmental protections being seen as a barrier to growth, we want to unlock a win-win for the economy and for nature. The Bill will introduce a new Nature Restoration Fund that will unlock and accelerate development while going beyond simply offsetting harm to unlock the positive impact development can have in driving nature recovery.
- 3. Improving certainty and decision-making in the planning system:** Decisions about what to build and where should be shaped by local communities and reflect the views of local residents. However, in exercising local democratic oversight, it is vital that planning committees operate as effectively as possible. The Bill will ensure that they play their proper role in scrutinising development without obstructing it, whilst maximising the use of experienced professional planners. At the same time our reforms to planning fees will ensure that local planning authorities have the resources they need to deliver an efficient service.
- 4. Unlocking land and securing public value for large scale investment:** The government is determined to enable more effective land assembly by public sector bodies, speed up site delivery, and deliver housing, infrastructure, amenity, and transport benefits in the public interest. To unlock more sites for development, the Bill will ensure that compensation paid to landowners through the compulsory purchase order process is fair but not excessive, and that development corporations can operate effectively.
- 5. Introducing effective new mechanisms for cross-boundary strategic planning:** We cannot meet housing need without planning for growth on a larger than local scale. The Bill implement strategic planning at a sub-regional level through the production of Spatial Development Strategies to facilitate effective cross-boundary working to address development and infrastructure needs.

## What does the Bill do?

# Part 1: Infrastructure

## Nationally Significant Infrastructure Project (NSIP) reform

The government's approach to NSIP reform is to make targeted and impactful interventions to the consenting system to maximise certainty and speed. In January 2025, we published a working paper on streamlining infrastructure planning to test stakeholder views on potential legislative changes to the NSIP regime, ahead of introduction of the Planning and Infrastructure Bill. Following further policy development and feedback from a range of stakeholders – including developers, planning and technical experts, eNGOs and local authorities – the government is implementing several critical reforms outlined in the working paper, aimed at addressing the biggest barriers to delivery. These changes will ensure that: national policies are kept up to date; changes to these policies can be made more easily; consultation requirements are streamlined; there is greater flexibility in the overall planning system; and the number of opportunities for judicial review are reduced where a case has no merit.

### National policy statement updates

National policy statements (NPS) provide policy guidance on how NSIP applications are to be prepared and determined. The Bill will require national policy statements to be updated every 5 years so that they reflect the government's priorities and ambition. A more streamlined process will also be created for parliament to consider certain changes made to NPSs outside this rhythm of updates. Updates that can use this route will include legislative changes (enactments, amendments, or repeals) that have taken effect since the NPS was last amended, published changes to government policy, or relevant Court decisions issued since the NPS was last amended.

### Flexibility on consenting routes

Government is making sure the NSIP regime is flexible enough to accommodate the complexity and volume of projects in the years to come. The Bill will give the Secretary of State the power to direct projects out of the NSIP regime on case-by-case basis if a project would be better suited to being consented via an alternative consenting route.

### Streamlining consultation

The government is committed to streamlining the consultation requirements of the NSIP regime. Following feedback received through the working paper

and wider engagement, the Bill makes several immediate improvements to the regime. The government will continue working with the sector to fix the underlying consenting processes so the system is fit for the demands of the future.

The Bill will amend requirements on the content of consultation reports to enable shorter and more concise reports that effectively summarise the themes raised, and how they have informed applicants proposals. The acceptance criteria in the Planning Act 2008 will also be changed to enable the Planning Inspectorate to require corrective action on an application ahead of examination (rather than requiring the Planning Inspectorate to ask the applicant to withdraw or reject an application) – thereby reducing cautiousness from applicants and disproportionate gold plating of consultation requirements. We will remove the requirement to consult people that might or would be able to make a relevant claim under the Compulsory Purchase Act ('category 3'), while maintaining the requirement to notify those persons at the acceptance stage, in order to more broadly mirror other planning regimes where notification rather than pre-application consultation requirements apply.

A duty will be introduced for statutory consultees and local authorities to have regard for guidance. The guidance will be targeted so that key consultees identify and narrow areas of disagreement through the pre-application process. This duty will be supported by guidance for applicants to ensure they provide consultees with the right level of information to support their role, on non-statutory engagement (in advance of statutory consultation), and the acceptance stage.

The Bill will also remove the disincentive for statutory consultees, local authorities or those affected by compulsory acquisition to proactively engage in the DCO process between acceptance and preliminary meeting. Existing legislation will be clarified to ensure that Examining Authorities can award costs in circumstances where an application has been accepted for examination but is withdrawn before the preliminary meeting.

### **Judicial review changes**

In response to the recommendations made in Lord Banner KC's independent review, the Bill makes provision for the removal of the paper permission stage for judicial reviews of NPSs and Development Consent Orders, and removes the right to appeal for cases deemed totally without merit at the oral permission hearing.

### **Frequently asked questions**

**Q. How will these reforms help deliver 150 decisions on major economic infrastructure projects this Parliament? Will it prevent issues seen in the past projects?**

- Our reforms will streamline the system and help us deliver a faster, more certain and less costly NSIP regime. They are targeted specifically at

fixing elements of the system we know are slowing down decisions and development.

- This is essential to delivering our commitment in the Plan for Change to determine at least 150 Development Consent Orders (DCO) in this Parliament.

**Q. How will regularly updating National Policy Statements help speed up the system?**

- Regular updates ensure that the NPSs reflect current government policy, provide certainty for the sector, encourages investment, and helps mitigate legal challenges.
- This is why we are implementing the NIC's recommendations to ensure 5-yearly updates and enabling a more streamlined process for updates.
- It is currently taking too long to update NPSs – some NPSs such as waste water and hazardous waste have not been updated since they were designated over 10 years ago – whilst the process to update the energy and transport (National Networks) NPSs took over 4 years.
- Regular updates allow technological developments (e.g. threshold updates reflecting up to date renewable technology) to be reflected in the policy, allowing for a more reactive and appropriate NPS for projects to be considered under.

**Q. Will local communities still be able to get involved in the planning process?**

- The government is committed to good quality engagement with communities and consultees, but also to streamlining unnecessary processes and gold-plating. We will continue working with the sector to fix the underlying consenting processes so that the system is fit for the demands of the future.

**Q: How will you ensure access to justice with fewer permission attempts?**

- Only cases deemed totally without merit in the oral permission hearing in the High Court will be prevented from appealing to the Court of Appeal. Other cases will continue to be able to appeal the refusal of permission to the Court of Appeal.
- This will ensure there is no possibility of unmeritorious claims holding up NSIP projects, whilst also maintaining access to justice in line with our domestic and international obligations.

## Electricity network connections reforms

The current ‘first come, first served’ connection process gives little value to how ready a project is, which is preventing more viable projects from being able to connect ahead of slower moving ones. It also overlooks the technological and locational mix of projects connecting to the grid, and therefore does not consider impacts on the efficiency, cost or security of the electricity system, nor take account of strategic planning of the system as a whole.

The grid connections process is therefore not fit for purpose and Ofgem and the National Energy System Operator (NESO) are working, with support from government, to reform it, moving from a ‘first come, first served’ to a ‘first ready, first connected’ approach. These reforms are an essential enabler for the government’s Clean Energy Superpower and Growth missions.

The Bill will reform the process to make it more efficient and strategically aligned, ensuring that reforms already underway by Ofgem and NESO deliver the intended benefits in full. Time limited powers will be conferred on the Secretary of State and Ofgem to enable prioritisation of the connections queue for 3 years from Royal Assent of the Bill. These powers will be available should the existing connections reform processes face significant delays or fail to deliver intended benefits, including alignment with strategic energy plans. They will allow the Secretary of State and Ofgem to directly amend, electricity licences (both terms and conditions of particular licences, and standard conditions of a particular licence type), documents maintained in accordance with the conditions of licences, agreements made in accordance with a document so maintained, and qualifying connection agreements. These amendments are for the purpose of improving the process for managing connections to the electricity transmission and distribution systems.

The Secretary of State and Ofgem can further direct NESO and the Distribution Network Operators (DNOs) to make necessary changes accordingly. NESO and DNOs will be required to prioritise projects for connection based on strategic and system plans (e.g. the proposed Clean Power 2030 Action Plan), including applying technological and locational criteria.

### Frequently asked questions

#### Q. How do the reforms support economic growth?

- Speeding up the connections process will help kickstart economic growth, as delays in connecting to the power grid are a major obstacle for launching new projects on time and within budget. The current system is

often criticised for being too slow, which makes it difficult to connect low-cost clean energy generation to the grid on the one hand, and delays investment in anything which requires electricity, from housing and hospitals to gigafactories and data centres.

## **Q. How will consumers benefit?**

- Consumers could benefit from reduced network build and maintenance costs, some of which should be passed through onto bills. Ofgem's Impact Assessment of NESO's proposals for connections reform estimated that £5 billion of unnecessary network reinforcements could be avoided.
- Additionally, the reform is expected to reduce system costs by enabling faster addition of generation and storage to the system, potentially lowering constraint and other costs. Households are expected to benefit from reduced electricity bills in the long run due to reductions in network build, maintenance, and operating costs. However, the extent of bill reductions depends on various factors, including the costs of accelerated investments and market prices.

## **Consenting for electricity infrastructure in Scotland**

The existing electricity infrastructure consenting process, as set out in the Electricity Act 1989, has delays caused by the inefficiencies of an outdated process which was not designed to deal with modern energy demands. Scottish consenting reforms taken forward by the Bill will make the system more efficient, more predictable and look to reduce overall consenting timescales.

Mandatory pre-application requirements will be introduced ensuring that there is meaningful engagement with communities and statutory consultees early on reducing the risk of low quality and inconsistent applications being submitted and reducing the likelihood of delays later on in the consenting process. The Scottish Government will have the power to charge fees for the statutory pre-application service. The Bill will allow for specific application requirements to be set out to help developers to submit applications with all the relevant information, and enables time periods to be set for key stages of the application process. This will help all the bodies involved in the process to work together in a timely fashion.

The process followed when a local authority objects to an application will be improved. Instead of the automatic trigger for a public inquiry, objections will be handled through a tailored, reporter-led process, which is proportionate to the further evidence-gathering needed. The statutory right of appeal process, which currently only applies to offshore consenting, will be

extended to onshore Electricity Act 1989 consenting in Scotland – allowing persons to challenge the decisions of Scottish Ministers in 6 weeks with a new requirement that the timescale will commence from the publication of the decision, rather than the date the decision was taken. This will create certainty in Scotland by making the challenge process consistent across onshore and offshore, and ensuring they are brought in a timely manner.

The Bill will also enable variations to existing consents. This includes creating a statutory process for a consent-holder to apply for a variation to a section 37 (overhead line) consent, which is already in place for variations to section 36 (generating station) consents. It will also enable the Scottish Government to vary consents to address changes in circumstances relating to the environment or technological changes, or to correct an error in the consent.

The Scottish Government cannot currently charge fees for processing applications for necessary wayleaves, statutory rights that allow electricity licence holders to install and access their electricity lines and associated infrastructure on land owned by others. The Bill will allow the Scottish Government to charge developers fees at the point of application.

A power for Scottish or UK ministers to amend the Electricity Works (Environmental Impact Assessment) (Scotland) Regulations 2017 will enable the pre-application and application reforms, such as allowing the Scottish Government to charge developers fees for screening and scoping opinions, and to change the publication requirements for EIA reports, copies and additional information.

## **Frequently asked questions**

### **Q. Why is the consenting process different in Scotland to England and Wales?**

- Consenting decisions for electricity infrastructure is a devolved matter in Scotland and it is right that the consenting regimes reflect the requirements of each nation. However, the UK government and the Scottish Government recognise that the legislative framework hasn't been updated in Scotland since 1989 and that reform is required to speed up decision making as was done for England and Wales through the Planning Act 2008's Nationally Significant Infrastructure Projects.

### **Q. How will these reforms help speed up consenting?**

- These reforms intend to speed up the consenting process overall, reducing the time taken for decisions on applications. They do not make applications for electricity infrastructure consents more or less likely to be granted and these decisions will continue to be taken by Scottish Ministers on a case by case basis.

### **Q. Does the Scottish Government support these reforms?**

- This is a shared priority for both the UK and Scottish governments. The Scottish Government's 'Programme for Government 2024-25' commits to collaborating with the UK government on the reforms as part of the progress to renewables.
- We have worked closely with the Scottish Government on the reform proposals. The UK government consultation in October to November last year was undertaken in collaboration with the Scottish Government and we have continued to work with them in developing the legislation in this Bill.

## Long duration electricity storage cap and floor scheme

Long duration electricity storage (LDES) is infrastructure that can store electricity and then discharge continuously at 8 hours or longer at full power. LDES enables the electricity system to store clean wind and solar power when it is plentiful and use it when most needed. It is a crucial part of making Britain a clean energy superpower. The Bill will impose a duty on Ofgem to deliver a cap and floor scheme for LDES. The scheme will support investment in LDES, helping to ensure sufficient LDES is deployed to help to decarbonise the electricity system and allow us to maximise the use of intermittent renewable energy generation. Ultimately, a cheaper and more efficient energy system can be a key driver of growth.

This cap and floor mechanism provides a minimum revenue certainty for investors (the 'floor' level) to provide security and a regulated limit (the 'cap' level) on revenues to avoid excessive returns. The floor is set at a low level to minimise the likelihood of its use, while still providing comfort to investors that operators can meet debt payments in the unlikely scenario that revenues are much lower than forecast. They are not high enough for the asset owners to make a profit (when considering the cost of debt), so there is no incentive for them to seek floor payments – they are merely a form of insurance. In return for consumers underwriting this risk, a revenue cap ensures that LDES asset owners must share some or all profits above a certain level.

Investment in LDES again after a hiatus of 4 decades will make an important contribution to power sector decarbonisation and economic growth by integrating renewables and reducing electricity system costs while supporting energy security. Analysis for DESNZ finds that, in a central scenario, 20GW of 24-hour duration LDES could save £24 billion of electricity system costs from 2030 to 2050.

### Frequently asked questions

**Q. Will there be an impact on bills?**

- LDES will help to reduce household bills by maximising the use of renewable generation, which in turn will reduce our reliance on expensive natural gas. It will also reduce the need to build new network infrastructure.
- Independent analysis found that deploying 20GW of LDES could generate £24 billion of electricity system savings between 2030 and 2050, through reduced additional generation and network build requirements.

## **Q. Will there be an impact on the environment?**

- All pumped storage hydro projects must go through a rigorous planning permission process which includes environmental impact assessments.
- All projects need to have due regard for the environmental impact of any installation and put in appropriate mitigations before being allowed to begin construction.
- Supporting the deployment of new LDES capacity will also have positive environmental impacts. LDES can help to decarbonise the system by maximising the use of renewable generation, replacing flexibility from fossil-fuelled electricity generation, and minimising required network build.

## **Consumer benefits for homes near electricity transmission projects**

On its way to transmitting power to all of Great Britain, electricity transmission infrastructure passes through communities who do not experience enduring direct benefits from it in terms of new jobs, skills or investment. This infrastructure is needed to move power from where it is generated, through lower-demand rural communities, and towards higher-demand urban centres, and may increase perceptions that communities living near to it experience a lack of direct benefits and/or a disproportionate negative impact. Public consent for transmission network infrastructure projects is precarious and challenges government's ability to meet the required scale of infrastructure to keep pace with increasing electrification and to help realise clean power by 2030 targets.

Communities that live close to new network infrastructure are therefore a critical stakeholder in delivering cheaper, cleaner, secure energy – there is a positive externality for wider society. Community benefits ensure communities can gain from network infrastructure, that delivers a national need, being sited in their vicinity.

The Bill will enable the government to implement a mandatory, centralised approach to providing bill discounts to communities closest to new or

significantly upgraded electricity transmission infrastructure. Regulations made under the Bill measures will set out eligibility for the scheme and the operation of the scheme, including, for example, data sharing powers, how the discount will be applied, the amount of discount that will be provided and the length of time it will be applied for. The Bill will also empower the Secretary to address issues relating to 'hard to reach' customers, including a passthrough requirement and opt-in scheme. Regulations will provide a description of the infrastructure that is within scope of the scheme, alongside enforcement measures and appeal processes.

## **Frequently asked questions**

### **Q. Who is eligible for a discount and what is the discount level?**

- We have a minded to position to offer bill discounts of up to £2,500 over 10 years for those living up to 500m from new and significantly upgraded electricity transmission infrastructure. Further details determining who is eligible will be set out in secondary legislation.

### **Q. What infrastructure is in scope for the bill discounts scheme?**

- We are currently proposing that this scheme applies to new onshore, above ground transmission cables and associated infrastructure (e.g. substations) in Great Britain, and certain major upgrades of existing projects.

### **Q. Some households don't pay directly for an electricity bill. Will they still be able to benefit if they are eligible?**

- We are aware that some eligible households will not have a direct relationship with an electricity supplier, so will not be able to receive a bill discount automatically. This includes households living in eligible properties on commercial electricity supplies. We consider these households 'hard-to-reach'.
- We are designing a separate opt-in mechanism to ensure that these hard-to-reach households are not disadvantaged or excluded from the bill discount scheme.
- These households represent a small minority of eligible households, but we want to ensure all eligible households have an opportunity to benefit.

### **Q. Why is eligibility based on distance rather than impact or visibility of infrastructure?**

- Basing eligibility on distance provides a clear, objective rationale for who receives bill discounts.
- Attempting to base eligibility on impact of infrastructure creates a subjective element to eligibility, which is far harder to deliver and is likely to increase the number of appeals and protests from those not included.

# Extension of the commissioning period for offshore electricity transmission system

Under the current regulatory regime for delivering offshore wind, transmission assets connecting the offshore wind farms to the onshore grid are typically built by an offshore wind developer alongside the rest of the windfarm. Once complete, Ofgem runs a tender to select an Offshore Transmission Owner (“OFTO”), independent of the generator, to own and operate the transmission assets in return for a tender revenue stream. The OFTO pays the generator a transfer value determined by Ofgem for the assets.

The Electricity Act 1989 (“the Act”) requires a licence to be held for engagement in electricity transmission and generation activities. Holders of generation licences are not permitted to also hold a transmission licence (the ‘unbundling rules’). However, the Act allows offshore generators to transmit electricity without an offshore transmission licence during the ‘commissioning period’. This is commonly known as the ‘Generator Commissioning Clause’ (‘GCC’).

Currently the GCC provides an 18-month period for the generator to transmit electricity for the purposes of commissioning and testing transmission assets. This poses a challenge as, over time, offshore windfarms and the transmission assets which connect them to the onshore grid have become larger and more complex compared to when the regulatory regime was first established. At the end of 2023, the average capacity of operational fully commissioned projects was less than 330 MW, while the average for in-construction projects is over 1,100 MW. This increases the risk of technical issues causing delays to commercial negotiations finalising the transfer.

The Bill will enable an extension of the GCC period from 18 to 27 months, which will reduce the number of offshore wind farm projects requiring government interventions to prevent them from shutting down due to non-compliance with the Act.

## Frequently asked questions

### Q. Why have you settled on a 9-month extension, to 27 months?

- The Department issued a call for evidence on the OFTO regime, which closed in February 2024, and responses suggested the GCC period was too short, and should be extended due to the increase in the size and complexity of wind farms. This increased size and complexity had led to an increased risk of developers experiencing technical faults, and meant more time was required for more complex commercial negotiations.

- A 9-month extension to 27 months is the right length to provide more time for the OFTO tendering process, while still ensuring the timely transfer of assets to an independent OFTO. The vast majority of wind farms which required extensions since 2016 have been able to complete the divestment of assets within 27 months.

## Electricity generation on forestry land

The Bill will amend the Forestry Act 1967 to grant powers to the “appropriate forestry authorities” (Forestry Commissioners in England and the Natural Resources Body for Wales), to use and permit the use of forestry land for the generation, transmission, storage and supply of electricity from renewable sources. This will increase the amount of electricity produced from renewable sources and thus contribute towards the government’s energy and climate change targets while benefitting the longer-term funding of the appropriate forestry authorities.

These powers will exist alongside the appropriate forestry authorities’ existing duties and functions in respect of forestry land, which relate primarily to timber production and recreational facilities (amongst others more ancillary).

### Frequently asked questions

#### Q. Will there be adverse effects to the environment?

- All developments will be subject to the rigours of the planning process, which will include environmental screening, surveys, and mitigation measures on any potential impacts on landscapes and ecology.

## Reforms to the Highways Act 1980

Delivering a faster and more certain consenting process for transport infrastructure projects builds transport connectivity and works to tackle congestion and overcrowding. The Bill will make various amendments to the Highways Act 1980, with the intention of streamlining and improving the efficiency of delivering road infrastructure schemes, and making sure processes within the Highways Act 1980 regime are fit for purpose and proportionate. These measures include:

- Establishing powers to enable temporary possession of land to better frame land negotiations and reduce time taken to do this.

- Enabling cost recovery for defined statutory consultees and local authorities when providing advice or services relating to orders and schemes, to support their resourcing strategies and encourage quality and timely inputs into the process.
- Introducing statutory deadlines for the Secretary of State decision stage of the process and amending the period for objections to align with other planning regimes to provide certainty to stakeholders.
- Simplify the various ways of handling orders and schemes under the Highways Act by removing the requirement for statutory instruments for certain schemes and orders, and enabling the strategic highway company to initiate the making or unmaking of trunk roads.

## **Frequently asked questions**

### **Q. In reducing the objection period, are you trying to avoid people having their say?**

- The objection period for orders and schemes under the Highways Act is currently set at a period of not less than 6 weeks. This differs from objection periods in other regimes used to consent transport infrastructure, such as the Planning Act 2008 regime, and is longer in most instances.
- Reducing the objection period can accelerate the delivery of transport projects whilst still providing a reasonable period of time for interested parties to register their views.

### **Q. Why are you introducing a power to temporarily possess land?**

- Currently in the Highways Act there is no mechanism for the temporary possession and use of land through means of compulsion. Where land is only required on a temporary basis, if access to such land cannot be achieved by agreement with the landowner(s), the highways authority will seek powers of compulsory acquisition to enable it to use the land.
- Powers of compulsory acquisition are disproportionate to the needs of the highways authorities that only need to access the land temporarily. The measure would offer a more proportionate route, aid land negotiations and provide legal protection to landowners that they will regain their land following the carrying out of works.

## **Reforms to the Transport and Works Act 1992**

The reforms will deliver a consenting process to enable the authorisation of new railways or tramways in England and Wales (as well as guided transport schemes and inland waterways) that reduces unnecessary administrative burdens placed on applicants pursuing transport

infrastructure projects under the Transport and Works Act 1992 (TWA92) regime. The Bill will make various technical amendments to the TWA92 to ensure the regime is fit for purpose and proportionate, with the intention of streamlining and improving the efficiency of delivering new transport schemes. These measures include:

- enabling cost recovery for defined statutory consultees and local authorities when providing advice or services relating to orders, to support their resourcing strategies and encourage quality and timely inputs into the process
- introducing statutory deadlines for determination of applications to provide certainty to stakeholders
- providing for the inclusion of additional authorisations to streamline multiple processes
- replacing model clauses with guidance so they can be more easily updated
- providing points of clarification through legislative amendments

## **Frequently asked questions**

### **Q. Why are you reforming the Transport and Works Act 1992?**

- Reforms to the Transport and Works Act 1992 are taking place because the current consenting process for schemes under this planning regime is considered disproportionate and inadequately tailored to address the complexities of modern-day infrastructure development.
- The capacity to manage a potential for a higher volume of more complex and larger-scale projects in the future will ensure the regime remains fit for purpose to meet the evolving needs of transport infrastructure.

## **Harbour Order fees**

The Marine Management Organisation (MMO) currently charges fees for Harbour Orders in England and for the reserved trust port, Milford Haven. Elsewhere in Wales, and in Scotland, fees are the responsibility of the devolved Ministers. (Northern Ireland has separate arrangements.)

However, these fees are currently charged at flat rates in advance – an approach that does not align with marine licence applications. The current system does not accurately reflect the complexity or time required for each application, especially for works applications and does not allow for enough flexibility in charging, which currently leads to inefficiencies and to inaccurate cost recovery, and slows down application processing.

The Bill will amend the cost recovery process for Harbour Revision Orders so that they can be set more flexibly. This is to be done by amending Schedule 3 to the Harbours Act 1964 so that regulations may provide for fees to be determined by a specified method, which could encompass fixed and hourly elements to become payable in a combination of advance and arrears elements. Further provisions relate to the procedures respectively applicable to England, Wales and Scotland.

This would improve cost recovery, help the MMO plan and manage its resources and deliver faster decision making. This approach better align with government guidance, specifically HMT's Managing Public Money, which recommends that cost recovery should be the standard approach for setting charges for public services.

### **Frequently asked questions**

#### **Q. Won't this just mean ports paying more for a slow service?**

- No. The MMO can and does already levy hourly fees for the more complex marine licence applications and performance on these has been generally better.
- DfT and DEFRA officials will work closely with MMO to ensure that more flexible fee structures do contribute to significantly better performance in future.

## **Electric vehicle (EV) chargepoints**

The government is committed to supporting the transition to electric vehicles and plans to accelerate the rollout of EV charging infrastructure. This policy supports EV uptake and ensures that everyone has access to reliable and convenient public charging, by making it quicker, easier, and cheaper to install EV infrastructure, helping to deliver a more comprehensive and reliable network of chargepoints around England.

The Bill will streamline the approval of street works needed for the installation of EV public charge points by removing the need for licences where the works are capable of being authorised by permits. This is intended to expedite the roll out of EV charging infrastructure. Electric Vehicle chargepoint operators will be given access to permits when installing EV charging infrastructure. the Highways Act 1980 will be amended to prevent HAs from granting permission under section 115E for EV chargepoint installation where this is capable of being authorised by a permit, therefore maximising the time and cost savings EV CPOs face.

### **Frequently asked questions**

**Q. Without a license and regulator, who will oversee the quality of the work carried out by EV chargepoint installers?**

- Under both the permitting and section 50 licensing regimes, the organisation carrying out street works must comply with requirements set out in the New Roads and Street Works Act 1991 and associated statutory guidance (and safety codes). These include a requirement for the undertaker to ensure their apparatus is kept in efficient working condition and gives the highway authority power to carry out inspections of works and reinstatements.

**Q. What difference will changing the system from a permitting to licencing regime make?**

- Local communities currently face a burdensome process when installing a charger, which require licences for street works, with waiting times for approval taking several months on average and costing EV chargepoint operators between £500 and £1,000 per licence.
- Through the Bill, these street works licences for chargers will be replaced by permits, and any need for additional licences requested by some councils will be removed. Permits for all local authorities in England can be applied for online via the DfT's street manager digital service, which also support planning and co-ordination of all road works.
- Permits for works that last 10 days or less will cost between £45 and £130, and take 2-5 days to approve, saving hundreds of pounds and hours in the application process as well as helping new EV infrastructure spread in cities and rural areas where more drivers can charge on their street.

## **Part 2: Planning**

### **Sub-delegation of planning fees**

Planning application fees are currently set nationally and are intended to cover the cost to a Local Planning Authority (LPA) of processing and determining a planning application (their 'development management service'). However, planning fees do not fully cover the costs of running the development management service. Over the years there have been calls for planning fees to be set at a level that fully covers the cost of the application service. Although we could continue to increase fees nationally to make up the shortfall, it is unlikely to achieve full cost recovery because of the

varying costs between authorities. There is an estimated annual funding shortfall for LPA development management services of £362 million, based on most recent local government spending data for 2023-24.

The Bill establishes a new power for the Secretary of State to sub-delegate the setting of planning fees to LPAs. It also requires the planning fees must not exceed the cost to LPAs to determine that planning application and that the fee income must be retained for spending on an LPA's relevant planning function. Our changes to planning fees will ensure that LPAs have the resources they need and that they are directly invested in delivering an efficient planning service.

Provisions also include safeguards to prevent against excessive or unjustified fee increases by providing the Secretary of State with the power to intervene and direct an LPA to amend their fees or charges when it is considered appropriate to do so.

### **Frequently asked questions**

#### **Q. Will your proposals for localisation of planning fees lead to higher fees?**

- For some application types, fees may have to increase to cover the costs of the local planning authorities. The Bill includes safeguards to prevent against excessive or unjustified fee increases by providing the Secretary of State with the power to intervene and direct an LPA to amend their fees or charges when it is considered appropriate to do so. This will prevent LPAs setting fee levels above cost-recovery and do not become a barrier to kickstarting development.
- The Bill will also ensure that planning fees cannot exceed the costs to LPAs to determine a planning application and that fee income must be retained for spending on an LPA's relevant planning function – not to cross-subsidise other services.

#### **Q. Won't it be very confusing if each local planning authority charges a different fee?**

- Although each local planning authority may set a different fee for the same type and size of application, for consistency we propose to retain the current fee categories, which will enable direct comparison between local planning authorities to be made.
- We will also be pursuing a fees model that allows for local variation from a national default fee – this approach gives LPAs greater flexibility to fund and deliver an effective service whilst preventing large differences in fees between LPAs.

#### **Q. How will you ensure that any increased fees result in better performance by local planning authorities?**

- By increasing planning fees, it is expected that local planning authorities will have more of the resources they need to determine applications within the required statutory periods. We will continue to monitor the performance of local planning authorities through the Planning Performance Dashboard and quarterly planning statistics. The planning performance regime ensures that local planning authorities who are under-performing are held to account.
- Measures in the Bill will also ensure that fee income must be retained for spending on an LPA's relevant planning function – not to cross-subsidise other services. This will ensure that fees are directly invested into delivering an efficient planning service.

## Planning committee reforms

Planning committees are a critical part of the planning system. In England planning decisions by LPAs are the responsibility of planning committees, although they can delegate decisions to officers.

The Bill will include introducing a national scheme of delegation that will, through 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. This measure will ensure that there is greater consistency and certainty across England about who in a local planning authority will be responsible for making planning decisions. We are also taking a power to legislate through Regulations for the size of committees, to support effective debate and avoid sprawling committees.

As a result of this legislation, committee members will be required to undertake mandatory training before they can take planning decisions. The power to require planning committee members to complete training aims to create consistency in training and ensure that key areas of law that are relevant to a planning committee member's decision-making functions are understood to an adequate standard across the country.

### Frequently asked questions

#### Q. Are these measures undermining local democracy?

- No. These measures are to ensure the planning process is streamlined and more efficient, whilst retaining local democratic oversight. Having a national scheme of delegation will improve the recognition of sites that have already received democratic approval through the local plan process.

#### Q. Will this measure remove the voice of local communities in planning decisions?

- No. The best way for councillors and communities to engage in the development proposed for their areas is through the local plan process, which will be agreed by the council. We think that where controversial development is proposed that has not been planned for, councillors play a key role in representing the voice of their communities.
- We are not changing the consultation rules on planning applications. Representations are considered by the decision maker – whether officer or planning committee.

**Q. Are you taking away planning decisions from councillors because they are unfit to make them?**

- A national scheme of delegation would create more certainty for all stakeholders on how to deal with any planning application. Councillors will have had an instrumental role in the development of local plans, and therefore, we think that the planning process would be expediated for proposals that broadly meet the objectives of that plan. We think that where controversial development is proposed that hasn't been planned for, councillors play a key role in representing the voice of their communities.

**Q. How will mandatory training be implemented?**

- We are currently considering a wide range of implementation options, and we look forward to working with all stakeholders on these options. There are good examples of training across the country, however this is inconsistent, and we are keen to work with local planning authorities to find the best practice which can work nationally.

## **Spatial development strategies**

With the exception of London, most of England is not currently covered by a strategic plan. The current development plans system therefore depends on individual authorities cooperating with one another on their local plans to address cross-boundary issues such as addressing housing need. The government's view is that housing need in England cannot be met without planning for growth on a larger than local scale, and that reform is needed to introduce effective new mechanisms for cross-boundary strategic planning.

The Bill will enable the government to introduce a system of strategic planning across England. The strategic planning tool being rolled out is the spatial development strategy (SDS), and this is closely modelled on the system that has been in place in London for over 20 years.

The Bill places a duty on combined authorities, combined county authorities, upper-tier county councils and unitary authorities to prepare a SDS for their area. The Bill also enables the government to establish “strategic planning boards” to prepare SDSs on behalf of specified groupings of these authorities.

Under an existing legal requirement, local plans must be in general conformity with a SDSs that become operative under these arrangements. London will continue to produce its SDS under the provisions in the Greater London Authority Act 1999, given the unique arrangements of the Greater London Authority.

## **Frequently asked questions**

### **Q. Are you reintroducing regional planning?**

- No, we have learnt from previous experience that the regional model was seen as remote from local communities and the areas to be planned were too large, making plan making slow. We are looking at sub-regional models which strike a balance between providing strategic direction but still being related to the geographies in which people spend most of their lives.

### **Q. What will SDSs actually do/contain?**

- We intend for SDSs to play a vital role in delivering sustainable growth and addressing key spatial issues – including meeting housing needs, delivering strategic infrastructure, growing the economy, and improving climate resilience. Strategic planning will also be important in the delivery of Local Growth Plans and Local Nature Recovery Strategies.

### **Q. These Spatial Development Strategies will take decision making away from local areas, isn't this this opposite to devolution?**

- This is about making decisions at the most appropriate level. Some challenges, like housing supply, can only be effectively tackled across larger geographical areas. The government will be devolving strategic planning to an appropriate level so that the SDS can set the overall direction and strategy for an area.
- Local planning authorities will still produce local plans containing local policies and crucially allocating sites for development. We know local authorities are best placed to understand their communities and local priorities. Equally, communities will continue to be able to prepare neighbourhood plans for their areas.

## **Part 3: Development and nature recovery**

Currently, where development is required to discharge an environmental obligation relating to protected habitats and species there is often little or no strategic coordination as to how these obligations are or should be discharged.

As the system stands, development is often delayed until sufficient mitigation is put in place. The time it takes to secure mitigations can range from a number of months to a number of years where mitigation is challenging to secure – for example, there are areas where nutrient neutrality advice was issued between 2020 and 2022 that still have no operational supply of mitigation.

Assessing the environmental impact of a development requires a high level of technical knowledge and a bespoke assessment is required, even for small developments. Each development must then be linked to specific mitigation measures with development being blocked where such measures are not readily available. While this approach addresses the specific impact of a development, by not taking a holistic view, mitigation measures may not secure the best outcomes for the environment. This approach may also lead to higher than necessary administrative costs, because of multiple transactions and information exchanges, as well as inefficient allocation of limited specialist capacity such as ecologists, whose focus is solely on project level mitigation work rather than the recovery of habitats and species overall.

These delays can slow housing delivery, with accompanying burdens on developers and local authorities. For example, for local authorities these delays can result in challenges in meeting their local housing need. In areas where there are significant delays caused by environmental issues it can result in housing needing to be placed in alternative locations. This can result in increased infrastructure demand being overly concentrated in specific areas.

The Bill establishes the Nature Restoration Fund (NRF), an alternative approach for developers to meet certain environmental obligations relating to protected sites and species. It allows 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 and, crucially, how these actions go further than the current approach and support nature recovery. Where an EDP is in place and a developer utilises it, the developer would no longer be required to undertake their own assessments, or deliver project-specific interventions, for issues addressed by the EDP.

The government believes this approach will facilitate a more strategic approach to the discharge of environmental obligations and result in improved environmental outcomes being delivered more efficiently. By reducing delays to development, this new approach may also facilitate faster delivery of housing across England.

## Frequently asked questions

### Q. Won't this lead to environmental regression?

- Since these measures were announced in the King's Speech we have stated that we would only act in legislation where we can confirm to Parliament that the steps we are taking will deliver positive environmental outcomes.
- On Bill introduction the Minister confirmed via a statement under section 20(3) of the Environment Act that this Bill would not have the effect of reducing the level of environmental protection of existing environmental law.
- We are clear in our desire to deliver a win-win for nature and for the economy and are committed to exploring how taking a more strategic approach can secure improved outcomes for the environment.

### Q. The previous government attempted to weaken the Habitats Regulations and scrap nutrient neutrality rules. How does this approach differ?

- This approach will not reduce overall levels of environmental protection. It will do the opposite, by enabling development to go beyond maintaining an unacceptable environmental status quo and make a positive contribution to nature recovery.
- By moving away from piecemeal interventions to a more strategic approach, we can deliver more for nature, not less.

### Q. We already have District Level Licensing and nutrient neutrality schemes. What more will the new system offer and how will it be easier for developers?

- Existing approaches are delivering on interventions to mitigate for development, but are complex and inefficient, failing to fix the underlying issues, only maintaining the status quo and operating at only a project specific mitigation scale. We need to do better, both to enable nature recovery and streamline the process for development and planning decision-makers.
- As District Level Licencing for Great Crested Newts has proved, taking a strategic approach is often more efficient and reduces the proportion of expenditure directed towards surveying or complicated calculations. The strategic approach is therefore also more effective, enabling us to go further than mitigation and deliver improvements for nature. However the existing legal framework is not designed to support strategic approaches and complex legal agreements and payments are needed.
- Where an EDP is in place, our approach will enable developers to fulfil their existing environmental obligations in a different way. By making a straightforward and simple payment, without complex legal agreements,

to pass the responsibility of sourcing and delivering mitigations and improvements onto Natural England. In order to secure the certainty needed for this approach to work, it has been necessary to implement this new system through legislation

## **Q. Who will ensure that the environmental obligation is delivered?**

- EDPs will be prepared by experts in Natural England before being approved and made by the Secretary of State. The Secretary of State will only be able to give the go ahead to an EDP where they are satisfied that doing so will deliver an overall improvement compared with the current approach. EDPs will include clear criteria for success to ensure this overall improvement is delivered alongside robust monitoring and reporting requirements. If an EDP is shown to be underperforming, the EDP will be expected to deliver additional conservation measures to ensure the environmental outcome is secured.
- It is essential that Natural England will be resourced sufficiently to carry out their role as the delivery body. The budget allocated £14 million for the Nature Restoration Fund in the next financial year, but its steady state operation will be on a full cost recovery basis.
- We are confident that the backstop measures for EDPs ensure certainty that the conservation measures proposed under an EDP will outweigh the negative effects of development.

## **Part 4. Development corporations**

Boosting housing supply requires not only reform of the planning system, but also a renewed focus on building large-scale new communities and New Towns across England. Development Corporations are statutory bodies established for the purpose of urban development and regeneration. They are important vehicles for delivering large-scale and complex regeneration and development projects.

This government will legislate to strengthen development corporations to make it easier for central and local government to deliver large-scale new communities. Through the Bill the government intends to create a clearer, more flexible, and robust framework for the operation of development corporations to unlock more housing across the country, coordinating this with infrastructure and transport for sustained economic growth.

The Bill will:

- Enable greater flexibility for development corporations in terms of the variety, extent and types of the geographical areas over which they can operate.

- Ensure development corporations have due regard to sustainable development and climate change mitigation and adaptation.
- Update and standardise the types of infrastructure development corporations can deliver, including heat networks.
- Improve collaboration between development corporations and local transport authorities, through a new duty to cooperate, which will ensure that new towns are seamlessly integrated into the wider spatial plan for the area. Where appropriate, the Bill will ensure that development corporations are able to exercise transport planning functions to achieve this goal.

### **Frequently asked questions**

#### **Q. Are Development Corporations being given too much power without sufficient oversight and accountability?**

- Development Corporations are necessary for delivering large-scale, complex developments, for which significant powers for planning, land assembly, transport, and infrastructure are required.
- Decisions to establish Development Corporations and the powers each will have will be made via regulations, are subject to statutory consultation, and their oversight will be carefully considered.

#### **Q. Why are development corporations taking on transport powers?**

- Transport infrastructure and its timely delivery is essential to delivering large scale property developments.
- Our preferred approach is for development corporations to work together with local transport authorities. Cooperation is essential to unlock growth through provision of transport infrastructure.
- Transfer of transport powers is ultimately a backstop measure. Before that, Secretary of State will be able to direct local transport authorities where cooperation isn't forthcoming.
- Decisions to direct or transfer transport powers will be taken on a case-by-case basis and only applied when collaboration is not effective and necessary transport infrastructure is not being delivered.

## **Part 5: Compulsory purchase**

### **Compulsory Purchase Order reforms**

The government recognises the importance of making effective use of land and is keen for authorities to make greater use of their compulsory purchase powers to support the delivery of housing, growth and regeneration of their areas. However, complex land purchasing processes along with landowners' unrealistic expectations on compensation can delay the assembly of land for housing and infrastructure by compulsory purchase. This can make the building of homes, transport links and schools more costly and slows down the delivery of critical infrastructure.

The government wants to reform the compulsory purchase process and land compensation rules to enable more effective land assembly that will speed-up and lower the costs of the delivery of housing and infrastructure in the public interest.

The Bill will improve the 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. A more streamlined and efficient process will also enable authorities to make greater use of their compulsory purchase powers, with associated cost savings realised through faster acquisition decisions.

The Bill also extends an existing power to remove value attributed to the prospect of planning permissions ('hope value') by direction under section 15A of the Acquisition of Land Act 1981 ('the 1981 Act') to town/parish and community councils where they are using CPO powers to facilitate affordable or social housing provision. It will also be achieved by ensuring directions removing hope value apply to assessment of all open market value where it forms part of a compensation claim.

## **Frequently asked questions**

### **Q. Will the reforms to the compulsory purchase land compensation rules deny landowners their fair share of compensation?**

- The reforms will allow decisions on directions to remove hope value to be taken by inspectors or, where there are no objections, acquiring authorities, instead of the Secretary of State. This will speed-up decisions and ensure we deliver more of the houses, schools, hospitals and other vital infrastructure that people in this country need.
- A direction to remove hope value issued by an inspector will not prevent landowners from claiming compensation for full development value for any extant planning permission on their land not relating to the CPO scheme.
- The direction power is limited to certain CPO powers facilitating affordable housing, which could be part of a mixed tenure scheme), education or health development. The government considers public

sector acquiring authorities, in taking forward these schemes, are most likely to be able to justify the payment of compensation below market value is in the public interest. This is proportionate and sensible, and ensures we are in line with other advanced market economies like Germany, France and the Netherlands.

- Regardless of whether there is a direction for land to be included in a CPO, its acquisition must be necessary for the delivery of a scheme for which there is a compelling case in the public interest.
- The reforms reinforce the principle that landowners should not receive excessive compensation where compulsory purchase powers are used to assemble land and deliver schemes in the public interest.

## **Q. What is the government doing to support local authorities to use their compulsory purchase powers?**

- To assist local authorities in using their CPO powers, this government has published updated, detailed guidance on the compulsory purchase process alongside a factsheet explaining the hope value direction power.
- There are also plain-English booklets on the CPO process aimed at claimants which are available on the government's website.
- The government also keeps up to date on its website an online register of CPO decisions issued by the Ministry of Housing, Communities and Local Government which gives local authorities more confidence on which CPO powers should be used for their individual projects.
- Homes England also provides online training courses on compulsory purchase for local authorities.



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