



Andrea Pellegram Ltd.

Planning Local

BRIEFING

The Leveling Up and Regeneration Bill (published 11 May)

WHAT DOES IT MEAN FOR LOCAL COUNCILS AND NEIGHBOURHOOD PLANNERS?

The Levelling Up and Regeneration Bill (the Bill) was introduced to Parliament on 11 May 2022. The Second Reading of the Bill took place on 8th June. A brief summary of the Bill is given below and more detailed references follow. Further consultations are planned, including on a revised National Planning Policy Framework which is intended to remove the requirement to maintain a rolling five-year housing land supply subject to maintaining adopted local plans which are less than five years old.

Summary of key measures for local councils

Stronger role for Neighbourhood Plans – The Bill incorporates the purposes and functions of Neighbourhood Plans into the Planning and Compulsory Purchase Act, promising a stronger regard to Neighbourhood Plan policies in local decision making on planning applications. *This provides assurance to neighbourhood planners that their work is valued and that neighbourhood planning is now embedded in the planning system in England.*

Basic Conditions – The Bill removes the requirement for Neighbourhood Plans to be in general conformity with adopted plans. Instead, Neighbourhood Plans must not result a lower level of housing development than would otherwise result from the implementation of the adopted local plan. This provides much greater flexibility for Neighbourhood Plans to set local policies which show greater variance from adopted local plan policies. *This will provide more flexibility for neighbourhood planners and will enable them to look forward to the emerging local plan policies, rather than needing to react to policies that will become out of date when a new local plan is adopted. This will also allow neighbourhood plans to set more stringent policies, for instance for climate change, than the local plan might require.*

Neighbourhood Priorities Statements – The Bill introduces Neighbourhood Priorities Statements as an option for areas which lack the governance and local resources to develop a Neighbourhood Plan. The scope of the statements will be defined to address local matters. They would be consulted on and when adopted would be published by the Local Planning Authority and would be taken into account in the production of local plans. *This will enable*

The Levelling Up and Regeneration Bill (May 2022)

smaller areas, or areas that do not have enough to say to merit a full neighbourhood plan, to set a decision-framework for more limited matters, such as design or the need to protect certain features of merit.

Supplementary Plans – The Bill will put onto a statutory footing, documents currently published as Supplementary Planning Documents so that they become part of the Development Plan when adopted. *Whilst the change to basic conditions removes the need for general conformity with adopted policies, a potentially more frequent adoption of updated local plan policy could mean that Neighbourhood Plans need to be reviewed and updated more frequently. Experience will be needed to see how this operates in practice.*

National Development Management Policies – The Government intends to introduce a suite of national development management policies which will take primacy where there is a conflict with adopted local policies. The stated intention is that national policies will focus on matters on which there is no or very little difference between local plans. *This means that local plans will be able to focus more on meeting local requirements for housing, commerce and environmental improvements, and less on reviewing standard development management policies. It is not clear yet how the government intends to implement this approach in terms of the level of direction that will be set out in centrally-created policy.*

Duty to Co-operate – The Bill abolishes the Duty to Co-operate between local authorities on local plan making.

Area Design Codes – Local Planning Authorities will be required to prepare Design Codes for their whole-area and these are expected to be taken into account in decision making on planning applications. These are not likely to be specific enough to address neighbourhood-level design considerations. *There will still be scope for neighbourhood plans to set out area-specific design guidelines.*

Environmental Outcomes Reports - A new system of Environmental Outcomes Reports will replace Environmental Impact Assessments and Strategic Environmental Assessments. Subject to the definition of a relevant plan, plans cannot be adopted without these reports. The new system will be focused on outcomes with reports considering the effect of proposals in the context of mitigations. Regulations will be published in due course to provide greater detail on the new system. These are needed to provide clarity on how the new system will apply to Neighbourhood Plans. *We can hope that the process will be easier to administer than the current SEA/HRA process.*

Infrastructure Levy – The Bill proposes to replace the current Community Infrastructure Levy (CIL) in England outside London with a non-negotiable Infrastructure Levy. The new levy would be compulsory and be levied against gross development value payable on sale, instead of levied on floorspace payable upon the start of development. A policy paper published alongside the Bill promises that distribution of income from the levy to neighbourhoods will

The Levelling Up and Regeneration Bill (May 2022)

be on the same basis as CIL. *This should lead to the same level of neighbourhood portion of funding or perhaps a growth in funding for areas that do not operate CIL.*

Empty High Street Properties – The Bill provides for local authorities to designate high streets and shopping centres which provide important local functions and take action to address problems associated with empty properties, based on interventions to auction the letting of properties which have been empty for at least twelve months, subject to procedures. *This could potentially be very important for neighbourhood plans where it might become possible to designate high street areas to prevent them from falling into high vacancy rates, or perhaps even resisting changes from commercial to dwelling uses.*

Combined County Authorities – County Councils and Unitary District Councils may be able to join to create combined authorities and, if they wish, adopt a Mayoral system of governance. Combined authorities may be able to take on the functions of other public bodies in their areas.

Locally-Led Development Corporations – The Bill provides the potential for locally-proposed urban development corporations and New Town Development Corporations to be established with proposed specific functions which could include local planning, neighbourhood planning and development management. *This will be important for parishes where Garden Towns are planned and where LDCs may become the new form of local government – the LDCs would then taken on the role of supporting neighbourhood planners, as the local planning authority does now.*

Joint Spatial Development Strategies – Two or more local authorities will be able to join to create voluntary Joint Spatial Development Strategies covering strategic planning matters.

Compulsory Purchase measures – The Bill sets out a suite of measures to improve the ability of local authorities to assemble land for regeneration purposes, including through a wider definition of ‘improvement’ to include ‘regeneration’ and an extension of time periods for implementation beyond the current 3 years. It also improves consultation processes and tools for establishing valuation of land.

Heritage Protections – The Bill ensures that the same regard is to be given by local planning authorities to impacts from development on Scheduled Monuments, Protected Wreck Sites, Registered Parks and Gardens, Registered Battlefields or World Heritage Sites, as is currently given to listed buildings and Conservation Areas. It also introduces a Temporary Stop Notices to protect listed buildings from harm caused by unauthorised building works and makes the maintenance of Historic Environment Registers a statutory requirement.

Street Votes – A short clause provides for a system of street votes in connection with proposed residential development put forward by residents. There is no further detail as yet. *We think that this means that if a group of residents wish to do something that current planning policy might resist (solar panels in a conservation area, or restrictions on digging ice berg basements) that they could vote to have a “street” policy to meet their communal wishes.*

The Levelling Up and Regeneration Bill (May 2022)

Empty Dwellings and Second Homes – The Bill reduces the time-period for the definition of a long-term empty dwelling, to 12 months. The Bill also provides for local authorities to increase the council tax levied on second homes/holiday homes by 100 per cent. *This is in recognition of the damage that second homes do to some communities. Neighbourhood planners could pair this disincentive with strong policies resisting second homes in their areas.*

Enforcement Measures – The Bill sets out measures to improve the effectiveness of local authority enforcement against unauthorised development, including an increase in the maximum time period for temporary stop notices of up to 56 days. *We can all be happy about this!*

Commencement and Completion Notices – The Bill will require developers to provide commencement notices indicating timescales for completion and setting out who is liable for works undertaken. It also gives Local Planning Authority the power to confirm Completion Notices to ensure developers complete their projects in a timely manner. *This is very helpful and is aimed at reducing the amount of landbanking by forcing developers to build-out their permissions rather than shelving them in order to manipulate housing land supply in an area.*

Transparency over land transactions – The Bill provides for a requirement to make available information on land ownership and control of land, including the terms of agreements. *This will make it easier for communities and parish councils to understand who is promoting sites in their areas.*

The Levelling Up and Regeneration Bill (May 2022)

LEVELLING UP AND REGENERATION BILL – REFERENCE TO CLAUSES

A brief summary of the main measures is set out below.

PART 1 – LEVELLING-UP MISSIONS

The Bill will set a requirement for the Government to set out a Levelling Up Mission, set for five years with targets set and reviewed in statements published annually. The Bill makes provision for changes to be made to all aspects of the mission including, time period, reporting requirements and targets. The stated aim of Levelling-Up Missions is to reduce spatial disparities and ensure achieving this is considered in government decision making.

PART 2 – COMBINED COUNTY AUTHORITIES

The Bill gives power to the Secretary of State to establish Combined County Authorities (CCA), which would consist of unitary district councils and county councils (but not district councils). It provides Regulations to enable the functions of a County Council and a Unitary Council to be undertaken instead by a Combined County Authority (or concurrently or jointly). In the same way, it makes provision for a CCA to take on the functions of another Public Authority within its area. This does not include allowing a CCA to take on a regulatory function from a public authority which is exercised for the whole of England and for which the CCA already has regulated functions within its area.

Section 22 creates a power for the Secretary of State by Regulations to change the boundary of a CCA by adding or removing relevant local government areas (County Councils or Unitary District Councils), with consent. This provides the prospect for a CCA to grow beyond one county/unitary area to incorporate further unitary district councils and county councils (provided that these areas are not already part of another CCA).

Section 24 provides a power for the election of a Mayor of a CCA.

The Bill sets out detailed provisions relating to the constitution, functions, governance, police and crime functions and fire and rescue functions of a CCA.

Long Term Empty Dwellings – Section 72 of the Bill reduces the time period to one year, from two years, the definition of a long-term empty dwelling.

Council Tax on Second Homes and Holiday Homes - Section 73 provides an ability for local authorities to increase by up to 100% of council tax payable on a property where there is no resident of the dwelling and it is substantially furnished (such as a second home). This is subject to a notice period of at least twelve months.

The Levelling Up and Regeneration Bill (May 2022)

PART 3 – PLANNING

This part of the Bill contains several provisions which address planning data, development management policies, development plans and neighbourhood planning.

Planning Data – Section 76 creates a power in relation to the provision of planning data in which a relevant planning authority may by publishing a notice require a person or persons of a particular description, as to the form and manner of that data. This is intended to provide more consistently presentation of planning data across different areas to foster ease of use and allow comparison.

Development Management Policies – Section 83 amends existing planning legislation to ensure that regard is given to both development plan and national development management policies (previously it referred only to development plans).

Section 84 defines the meaning of national development management policy as those (however expressed) of the Secretary of State relating to development or the use of land, for any part of England, designated as a national development management policy, by direction. This can be changed or revoked by the Secretary of State. Before making or revoking, or modification of a direction, the Secretary of State must ensure that consultation with and participation by the public or any bodies or persons (if any) as the Secretary of State thinks appropriate, takes place. Subsection 5C says that where there is a conflict between the two, this must be resolved in favour of national development management policy. Schedule 6 to the Bill makes further amendments through various acts to cement this principle.

The intention of these measures are to support the introduction of national development management policies on matters which are, or should be, addressed in a standard way across all areas.

Statutory basis for Neighbourhood Plans – Section 88 and Schedule 7 to the Bill amend the Planning and Compulsory Purchase Act 2004 to insert matters out that a neighbourhood development plan may include, as follows:

(a) policies (however expressed) in relation to the amount, type and location of, and timetable for, development in the neighbourhood area in the period for which the plan has effect;

(b) other policies (however expressed) in relation to the use or development of land in the neighbourhood area which are designed to achieve objectives that relate to the particular characteristics or circumstances of that area, any part of that area or one or more specific sites in that area;

(c) details of any infrastructure requirements, or requirements for affordable housing, to which development in accordance with the policies, included in the plan under paragraph (a) or (b), would give rise;

(d) requirements with respect to design that relate to development, or development of a particular description, throughout the neighbourhood area, in any part of that area or at one

The Levelling Up and Regeneration Bill (May 2022)

or more specific sites in that area, which the qualifying body considers should be met for planning permission for the development to be granted.

It inserts a subsection into Section 38B of the PCPA 2004, after Subsection (2A) as follows:

So far as the qualifying body considers appropriate, having regard to the subject matter of the neighbourhood development plan, the plan must be designed to secure that the development and use of land in the neighbourhood area contribute to the mitigation of, and adaption to, climate change.

A further subsection is inserted to say that neighbourhood developments must not include anything not permitted by the existing and new provision outlined above. Taken together, these clauses provide an important statutory basis in primary legislation for Neighbourhood Plans.

Basic Conditions of Neighbourhood Plans – Importantly, Section 89 substitutes Paragraph 8(2)(e) of Schedule 4B of the TCPA 1990, which currently requires neighbourhood plans to be in general conformity with the strategic policies contained in the development plan, with a different requirement to:

‘not have the effect of preventing development from taking place which—

- (i) is proposed in the development plan for the area of the authority (or any part of that area), and*
- (ii) if it took place, would provide housing.’*

This appears to change an important requirement of neighbourhood plans which would allow more variation in policy provided it does not prevent development taking place which is proposed in the development plan and which would be housing.

This section also inserts a basic condition to include compliance of Neighbourhood Plans with requirements in Part 5 of the Land Use and Regeneration Act 2020 (in relation to Environmental Outcome Reports).

Neighbourhood Priorities Statements – Schedule 7 to the Bill, Section 15K introduces a new simpler neighbourhood planning tool called a “neighbourhood priorities statement”. The context for this is that the take-up of neighbourhood plans is uneven across the country and is generally low in urban and more deprived areas. Communities in these areas face additional barriers which makes it more difficult for them to progress a neighbourhood plan, including a lack of an established governance structure or finding volunteers to help prepare the plan. Neighbourhood Priorities Statements will allow communities to identify their key priorities for their local area, including their development preferences, and will provide a simpler and more accessible way for them to participate in neighbourhood planning. Extracts from Section 15K below provides the scope and purpose of the measure.

The Levelling Up and Regeneration Bill (May 2022)

(1) Any qualifying body may make a statement, to be known as a “neighbourhood priorities statement”, which summarises what the body considers to be the principal needs and prevailing views, of the community in the neighbourhood area in relation to which the body is authorised, in respect of local matters.

(2) “Local matters” are such matters as the Secretary of State may prescribe, relating to—

(a) development, or the management or use of land, in or affecting the neighbourhood area,

(b) housing in the neighbourhood area,

(c) the natural environment in the neighbourhood area,

(d) the economy in the neighbourhood area,

(e) public spaces in the neighbourhood area,

(f) the infrastructure, facilities or services available in the neighbourhood area, or

(g) other features of the neighbourhood area.

.....

(6) Regulations made by the Secretary of State may impose requirements which must be met for a neighbourhood priorities statement.....

(7) Regulations under subsection (6) or section 15LE(2)(k) may provide that a requirement may be met, or (as the case may be) procedure may be complied with, by virtue of things done by a parish council, or other organisation or body, before it becomes a qualifying body.

(8) Regulations under subsection (6) and section 15LE must (between them)—

(a) require a qualifying body to publish any proposed neighbourhood priorities statement, so that people who live, work or carry on business in the neighbourhood area to which the statement relates can comment on the proposed statement before the body makes the statement,

(c) require a relevant local planning authority to publish a neighbourhood priorities statement, if the statement is made in accordance with this section and any regulations made under this Part,

.....

(14).....

The Levelling Up and Regeneration Bill (May 2022)

“neighbourhood area” has the meaning given by sections 61G and 61I(1) of the principal Act;

“qualifying body” means a parish council or an organisation or body designated as a neighbourhood forum, which is authorised to act in relation to a neighbourhood area as a result of section 61F of the principal Act (whether or not as applied by section 38C of this Act).

Joint Spatial Development Strategies - Schedule 7, New Section 15A, creates a new power for at least two local planning authorities to work jointly together to produce a Spatial Development Strategy (SDS). Planning authorities agreeing to produce a joint SDS will be referred to as participating authorities. The power is available to all local planning authorities outside of Combined Authorities, Mayoral Combined Authorities and Greater London. The power is optional for local planning authorities to use at their discretion.

Section 15AA sets the contents of a Joint SDS as the same as those for the Mayor of London and Mayoral Combined Authorities. They are intended and only able to deal with matters of strategic importance. They will not be able to designate the use of land.

Supplementary Plans – Schedule 7, New Section 15CC – Supplementary Plans are a new type of document that may be prepared by a local planning authority and will replace ‘supplementary planning documents’ prepared under existing legislation. Current Supplementary Planning Documents do not have the weight of the development plan (and whose status can, in practice, be uncertain). The new documents will be part of the development plan.

Section 15CC sets out the legislative basis for supplementary plans, including the nature of the policies that they may contain. Section 15DB sets out the process for the independent examination of supplementary plans.

There are certain limits on the allowable scope of supplementary plans (either by subject matter or geographically), so that they do not subvert the role of the local plan as the principal planning policy framework for the area of a local planning authority.

Design Codes for whole area – Schedule 7, New Section 15F, introduces a new duty for local planning authorities to prepare a local design code at the spatial scale of their authority area, which will set the design requirements development must follow. Local planning authorities will be able to prepare and adopt local design codes as either a Supplementary Plan or as part of their local plan, giving the design requirements set within them the weight of the development plan in decision making.

Abolition of Duty to Co-operate - Schedule 7 abolishes the Duty to Co-operate on the development of local plans and replaces it with a requirement that relevant bodies should be involved in local plan making. Explanatory notes do not specifically refer to the need for local authorities to assist each other, but it is clear that they could be regarded as a relevant prescribed body, which it would be up to the Secretary of State to determine.

The Levelling Up and Regeneration Bill (May 2022)

Requirement to assist in the preparation of local plans - Section 90 would create a power to require assistance from prescribed public bodies with preparation of relevant plans (local plan, minerals plans, waste plans, supplementary plans, policies maps, infrastructure delivery strategy and marine plans). A “prescribed public body” is a body which, or other person who, is prescribed or of a prescribed description and certain of whose functions are of a public nature.

The intention is to ensure infrastructure providers and organisations with a regional or national focus, and do not engage in local plan making, are required to do so.

Duty of regard to heritage assets - Section 92 inserts a new section 58B into the TCPA 1990 which introduces a duty of regard to certain heritage assets in granting planning permissions. It applies to the asset and to the setting of the asset and says that LPAs must have ‘special regard to the desirability of preserving or enhancing the asset or its setting’. This section applies to NDOs/NDPs via new sub-paragraphs insert into paragraph 2 of Schedule 4B.

Local planning authorities are under a statutory duty to have special regard to the preservation of Listed Buildings and Conservation Areas in the exercising of their planning functions. This clause extends this duty to Scheduled Monuments, Protected Wreck Sites, Registered Parks and Gardens, Registered Battlefields or World Heritage Sites.

Temporary Stop Notice to protect Listed Buildings from harm - Section 93 introduces Temporary Stop Notices in England through an insertion of a new S44A into the Listed Buildings Act. The authority may issue a temporary stop notice if, having regard to the effect of the works on the character of the building as one of special architectural or historic interest, they consider it is expedient that the works (or part of them) be stopped immediately. The notice would apply for a maximum of 56 days.

Street Votes – Under Section 96 The Secretary of State may by regulations make provision for a system that permits residents of a street to—

(a) propose development on their street, and

(b) determine, by means of a vote, whether that development should be given planning permission, on condition that certain requirements prescribed in the regulations are met.

The Government wishes to introduce a “street votes” system which would allow for intensification of predominantly housing development on existing residential streets where support for that intensification was signalled through a street vote. The current clause is a placeholder clause that would be replaced by substantive Clause when regulations are brought forward (these would be subject to Parliamentary Scrutiny).

Urgent Crown Development - Section 97 makes changes to the TCPA 1990 through the introduction of new sections 298B-293J which makes provisions for Urgent Crown Development by establishing a means for the consideration of applications directly to the Secretary of State.

The Levelling Up and Regeneration Bill (May 2022)

Minor Variations in Planning Permission - Section 98 addresses the issue of S73 changes to conditions which also involve a change to the descriptor of development (which currently needs to be addressed via a separate S96A application (NMA) first. So, it inserts a new S73B into the TCPA 1990.

Commencement Notices - Section 99 inserts new section 93G into the TCPA 1990 on Commencement Notices. This makes it compulsory for applicants or landowners to submit a notice with their intended commencement date and to update that notice to confirm commencement took place or to inform the LPA that it did not. If the applicant or landowner fails to provide this information, then the LPA can issue a notice requiring it to be provided in whatever form they prescribe, within 21 days. Failure to comply is an offence, punishable by fine on level 3 of the scale. Further, once accepted that the correct information has been provided, LPAs are required to put Commencement Notices on their public register.

The Commencement Notice must set out details of the proposed delivery rate of the scheme over a specified time period with an expected completion date. The notice must provide contact details and make a declaration of liability for works done or not done.

Completion Notices - Section 100 inserts new section 93H into the TCPA 1990 on Completion Notices. It applies to developments which have begun but have not been completed. If the LPA is of the opinion that the development will not be completed within a reasonable period they may serve a completion notice stating that the planning permission will cease to have effect at a specified time (deadline). The notice would be served on the landowner, or the occupier, or another person who's interest is materially affected in the opinion of the LPA. The period allowed for completion from the issue of the notice must be at least 12 months from the issue of the notice or beyond any dates specified in a planning permission or NDO, whichever is the greater.

Under Section 93I, the completion notice can be appealed. The grounds for appeal are that the development will be completed within a different 'reasonable' period or that the deadline is unreasonable, or that the notice was not served correctly. Regulations will set out how this will work in terms of timeframes, appeal procedures etc.

Section 93J sets out the effect of a completion notice coming into force as making a planning permission for any development not yet carried out to be invalid. It also makes clear that completion notices can be applied to all uncompleted developments with planning permissions granted before (unless a notice was already served under Section 94(2) of the TCPA 1990), as well as after this section comes into force.

These clauses make it easier for LPAs to issue Completion Notices directly, subject to appeal, without the need for confirmation by the Secretary of State (which is currently required).

Enforcement Time Periods - Section 101 increase times time limits for enforcement by amending Section 171B of the TCPA 1990. The increase is from four years to ten years in England (stays at four years in Wales). This applies to development/operations and to change of use.

The Levelling Up and Regeneration Bill (May 2022)

(This brings it into line with S171C for other breaches. It would mean that unauthorised use of a building as a dwelling would be enforceable for upto to 10 years after the date of the breach.)

Increase in period for Temporary Stop Notices - Section 102 increases the maximum duration of a temporary stop notice from 28 days to up to 56 days in England.

Enforcement Warning Notices - Section 103 creates a new power for LPAs to issue Enforcement Warning Notices, which would advise of the breach, likely to be addressed through a planning permission, and ask for submission of a retrospective planning application within a defined time period after which further enforcement action can be taken if not provided.

Relief from the Enforcement of Planning Conditions - Section 107 introduces a power to provide relief from enforcement of planning conditions through the insertion of a new Section 196E into the TCPA 1990. This would, via regulations, set out what when a LPA may not take, or be restricted in taking, relevant enforcement measures in relation to any actual or apparent failure to comply with a relevant planning condition. A relief period would be specified during which this would apply and it would apply to situations where the failure to comply started before (but continues) the relief period and where the failure starts within the relief period any may continue afterwards. The enforcement measures that would be precluded would include anything done by a local planning authority in England for the purposes of investigating, preventing, remedying or penalising an actual or apparent failure to comply with a relevant condition.

This is explained in the context of flexibilities urged since the start of the COVID-19 Pandemic and then later shortages in HGVs – construction working hours, delivery hours and periods etc, but the power is general).

Pre-application consultation requirements - Section 108 amends the TCPA 1990 to make permanent currently temporary powers to require pre-application consultation which are currently applied to onshore wind turbines. Regulations can be brought forward to require certain applicants to undertake pre-application consultation and to require them to have regard to comments made as part of it.

Control over the form and content of planning applications - Section 109 seeks to provide greater control over the form and content of planning applications. It also includes provision to require the application or associated document, be prepared or endorsed by a person with particular qualifications or experience.

PART 4 INFRASTRUCTURE LEVY

The Bill introduces a new system of infrastructure levy charges on new development to replace Community Infrastructure Levy (CIL). CIL is to be retained in London and Wales. The key difference with the current CIL regime is that Infrastructure Levy Charges will be required to be levied whereas CIL was discretionary. The Bill provides a power for the Secretary of State to set a deadline date for the introduction of IL in a particular area.

The Levelling Up and Regeneration Bill (May 2022)

A further key difference is what the charge is applied against. CIL was levied on the floorspace of development when planning permission is granted, whereas Infrastructure Levy will be levied on final gross development value of development.

The process for developing and setting an infrastructure levy will be similar to the current CIL process, on the basis of the development of an infrastructure development strategy which is subject to consultation and examination. Rules will be set as to what income can be spent on similar to CIL.

Planning Obligations – The Bill allows the Secretary of State to make regulations on how infrastructure Levy will relate to planning obligations to deliver mitigations to impacts of development in the area the development occurs.

Infrastructure Levy Income Distribution - Schedule 11 to the Bill says that Regulations (see section 204O) may determine to whom parts of IL proceeds should be passed (such as Parish Councils). It does not make any specific statements on Parish Councils or level of income distribution. Supporting policy documents state that the intention is that distribution of income will be as operates currently for CIL.

PART 5 ENVIRONMENTAL OUTCOMES REPORTS

The Bill introduces a new system of Environmental Outcome Reporting to replace Environmental Impact Assessment. These are essentially the same as Environmental Impact Assessments, but without the foundation on and reference to European Legislation.

Reference to Environmental Improvement Plan - The core reference point for Environment Outcome Reports will be as set out in Section 116 which provides a power to specify environmental outcomes relating to environmental protection. Any regulations on Environment Outcome Report must have regard to the environmental improvement plan specified in part 1 of the Environment Act 2021:

(2) *“Environmental protection” means—*

(a) protection of the natural environment, cultural heritage and the landscape from the effects of human activity;

(b) protection of people from the effects of human activity on the natural environment, cultural heritage and the landscape;

(c) maintenance, restoration or enhancement of the natural environment, cultural heritage or the landscape;

(d) monitoring, assessing, considering, advising or reporting on anything in paragraphs (a) to (c).

(3) *The “natural environment” means— (a) plants, wild animals and other living organisms,*

The Levelling Up and Regeneration Bill (May 2022)

(b) their habitats,

(c) land (except buildings or other structures), air and water, and the natural systems, cycles and processes through which they interact.

(4) “Cultural heritage” means any building, structure, other feature of the natural or built environment or site, which is of historic, architectural, archaeological or artistic interest.

Section 117 Environmental Outcomes Reports – These will be prepared in relation to proposed consents and proposed plans. Regulations will be set. A key consideration will be how a proposal would affect delivery of specified environmental outcome. Against that, a range of possibilities exist from increasing the outcome sought through to compensating for not delivering the outcome.

The extracts from Section 117 below set out the requirement for the report in plan-making, but the Bill does not define precisely what a relevant plan is and does not specify the circumstances in which an Environmental Outcome Report will be required, or what the scope will be in relation to proposed plans. This will follow in regulations.

Subsection (3) says that:

‘Where an environmental outcomes report is required to be prepared in relation to a proposed relevant plan—

(a) no step may be taken which would have the effect of bringing the proposed relevant plan into effect, unless an environmental outcomes report has been prepared in relation to it, and

(b) that report must be taken into account or given effect, in accordance with EOR regulations, in determining whether and on what terms the proposed relevant plan is to have effect.’

A further extract from Section 117 provides the meaning and scope of Environment Outcome Reports.

Subsection 4 says that:

(4) An “environmental outcomes report”, in relation to a proposed relevant consent or proposed relevant plan, means a written report which assesses—

(a) the extent to which the proposed relevant consent or proposed relevant plan would, or is likely to, impact on the delivery of specified environmental outcomes,

(b) any steps that may be proposed for the purposes of—

(i) increasing the extent to which a specified environmental outcome is delivered;

The Levelling Up and Regeneration Bill (May 2022)

(ii) avoiding the effects of a specified environmental outcome not being delivered to any extent;

(iii) so far as the effects of a specified environmental outcome not being delivered to any extent cannot be avoided, mitigating those effects;

(iv) so far as the effects of a specified environmental outcome not being delivered to any extent cannot be avoided or mitigated, remedying those effects;

(v) so far as the effects of a specified environmental outcome not being delivered to any extent cannot be avoided, mitigated or remedied, compensating for the specified environmental outcome not being delivered, and

(c) any proposals about how—

(i) the impact of the proposed relevant consent or proposed relevant plan on the delivery of a specified environmental outcome, or

(ii) the taking of any proposed steps of the kind mentioned in paragraph (b), should be monitored or secured.

Subsection (5) says that

The reference in subsection (4)(b) to steps includes—

(a) reasonable alternatives to the relevant consent, to the project to which the relevant consent relates or to any element of either, or (as the case may be)

(b) reasonable alternatives to the relevant plan or any element of it.

Familiar Framework - Much of the architecture of Environmental Outcome Reports would be familiar, including a definition of identified category 1 and 2 projects, the consideration of alternatives, scope defined in relation to specified environmental outcomes and whether other SEO reports already address matters. Regulations will provide more clarity.

Dynamic Mitigation - Section 119 introduces the concept of 'dynamic mitigation' based on the monitoring of SEO for individual consents where Specified Environmental Outcomes are not being met or impacts are reported.

Non-Regression - Section 120 enshrines non-regression (in relation to the agreement reached on leaving the EU).

Exemptions from Environmental Outcome Reporting - Section 122 provides a potential exemption from Environmental Outcome Reporting regulations for national defence and civil emergency etc.

The Levelling Up and Regeneration Bill (May 2022)

PART 6 – DEVELOPMENT CORPORATIONS

Urban Development Areas - Section 131 inserts new section 134A into the Local Government, Planning and Land Act 1980 to enable proposals by one or more local authorities to designate locally-led urban development area, specified on a map (the area does not have to be contiguous), with oversight by local authorities. Proposals must be submitted with evidence of consultation with residents, businesses, elected representatives and others.

New Town Development Corporations - Section 132 would insert a new section 12A into the New Towns Act 1981 to allow the creation of locally-led (and proposed) New Town Development Corporations based on a defined area of land.

Urban Development Corporations – Section 134 would allow local authorities to be the LPA for an urban development corporation where so ordered.

Removal of borrowing restrictions – Section 139 would remove all limits on borrowing of urban development corporations (currently £100 million across all) and new town development corporations (currently £5,250 million per new town).

PART 7 COMPULSORY PURCHASE

Section 140 widens the meaning of improvement as a reason for Compulsory Purchase to include 'regeneration'. This part of the Bill allows greater use of online publicity in relation to Compulsory Purchase proposals and allows conditional confirmation of the purchase ahead of confirmation. It provides for the extension of time limits for implementation beyond the current three years.

The intention of this part of the Bill is to improve the ability of local authorities to assemble land for regeneration purposes through compulsory purchase.

PART 8 - HIGH STREETS AND TOWN CENTRES.:

This part allows local authorities to identify and designate high streets within which they can intervene to ensure property is let. Section 150 says:

(1) A local authority may designate a street in its area as a high street for the purposes of this Part if it considers that the street is important to the local economy because of a concentration of high-street uses of premises on the street.

(2) A local authority may designate an area within its area as a town centre for the purposes of this Part if -

(a) the built environment of the area is characterised principally by a network of streets, and

(b) the authority considers that the area is important to the local economy because of a concentration of high-street uses of premises in the area.

The Levelling Up and Regeneration Bill (May 2022)

(3) A street or area is not to be designated, however, if the authority considers that its importance derives principally from goods or services purchased in the course of business.

Section 151 defines high street uses and premises

(1) For the purposes of this Part, any use of premises that falls within any of the following sub-paragraphs is a “high-street use”—

(a) use as a shop or office;

(b) use for the provision of services to persons who include visiting members of the public;

(c) use as a restaurant, bar, public house, café or other establishment selling food or drink for immediate consumption;

(d) use for public entertainment or recreation;

(e) use as a communal hall or meeting-place;

(f) use for manufacturing or other industrial processes of a sort that can (in each case) reasonably be carried on in proximity to, and compatibly with, the preceding uses.

(2) For the purposes of this Part, premises are “qualifying high-street premises” if—

(a) they are situated on a designated high street or in a designated town centre, and

(b) the local authority considers them to be suitable for a high-street use.

(3) But premises are not “qualifying high-street premises” if they are, or when last used were, used wholly or mainly as a warehouse.

Subject to a range of conditions relating to Vacancy, Local Benefit, Initial and Final Notices, Restrictions on Letting, Restrictions of works, Counter-notice and Appeals, Local Authorities will be able to arrange rental auctions, contract and grant tenancies with the aim of ensuring that high street uses continue.

PART 9 - INFORMATION ABOUT INTERESTS AND DEALINGS IN LAND

Requirement to provide information on ownership and control of land - Section 178 sets a requirement to provide information about ownership and control of land for the purpose of identifying persons who own relevant interest in land, have relevant rights concerning land or have the ability to control or influence the owner of a relevant interest or right concerning land in the exercise of that ownership or right, and to ascertain the nature, extent of duration of those rights or that ability. Control or influence includes by reasons of interest or rights in a company, partnership, trust or similar legal structure or arrangement.

The Levelling Up and Regeneration Bill (May 2022)

Information on transactions - Section 179 Sets a requirement to provide transactional information. Section 180 would set the framework for this by regulation.

Retention and use of information - Section 181 provides for regulations to set out the retention and use of information, including with persons exercising functions of a public nature, for use for the purposes of such functions, and for publication of information!!

An extract from explanatory notes to the Bill says that the Government anticipates collecting information on a range of transaction types for a range of purposes.

i. To meet the 2017 housing white paper land transparency commitment by collecting and publishing data on contractual arrangements used by developers to control land, such as rights of pre-emption, options, and conditional contracts.

ii. To identify attempts to evade sanctions or the new disclosure requirements placed on companies owning UK land and property contained in the Economic Crime (Transparency and Enforcement) Act 2022.

iii. For wider national security and macroeconomic purposes.

False and misleading information – Section 182 says Regulations may create an offence in connection with a failure to comply with a requirement under S178 and S179, and for providing false or misleading information in purported compliance. Conviction could result in a prison sentence of up to two and years and/or a fine! It also refers to regulation to prevent a relevant registration from being carried out in relation to a relevant interest in land or relevant right concerning land in relation to which a requirement imposed has not been complied with.

PART 10 - MISCELLANEOUS

Pavement licences - Section 184 refers to Schedule 17 which makes permanent provision for pavement licences under S1 to S9 of the Business and Planning Act 2020.

Historic Environment Records - Section 185 makes a statutory requirement on a relevant authority to maintain a historic environment record for its area.

Provision for independent review of the RICS - Section 186 provide for the SoS to appoint and independent review of the RICS to address governance and effectiveness against its objectives and any other matters specified in the appointment. (this is related to a recent governance issue)

PART 11 – GENERAL

Contains definitions and consequential provisions.

The Levelling Up and Regeneration Bill (May 2022)

The Levelling Up and Regeneration Bill (May 2022)