

Potential Incentives to Encourage Local Plan Preparation

The LPDF has canvassed its members about potential incentives that could be introduced, through planning guidance, to encourage Local Authorities (LAs) to prepare up-to-date Local Plans (those less than 5 years old since adoption). This would ensure that in a Plan led system, we have sufficient up-to-date strategic plans in place to maintain the delivery of development to meet identified needs, to stimulate economic growth, to deliver the necessary infrastructure and to address the growing housing emergency.

The proposals set out below concentrate on incentives for Local Plan preparation, although a couple are included which could be imposed should LAs not progress with their Local Plan preparation as envisaged by the guidance.

◆ **Make an up-to-date Local Plan a requirement for bidding for all forms of government funding**

The Levelling Up White Paper references a whole range of funding streams that will be made available to LAs to spend on their own local priorities. Many of these funding regimes are aimed at physical improvements to places. Therefore, for the government to ensure that they get the best value for their investment, the improvements need to be part of coherent strategy rather than just *ad hoc* spending. At its heart, the Local Plan is where LAs should establish the long-term visions for their areas. It is therefore entirely reasonable for the government to set out that public funding (including from Homes England) will only be made available to LAs when an up-to-date Local Plan is in place. This will help to ensure that the benefits of public investment are maximised. This also helps to ensure that the funding is directed to those LAs that are actively trying to pursue growth.

◆ **Allow Local Authorities with an up-to-date Local Plan to charge a higher rate of Infrastructure Levy (IL)**

As the details of the IL are yet to be determined, there is a broad scope to shape the Levy to encourage LAs to progress their Local Plans. The system could be operated by setting a 'national minimum' IL rate which would be relatively low which any LA without an up-to-date Local Plan could charge.

In order for LAs to set a higher, locally-set IL rate, an up-to-date Local Plan would need to be in place so as to ensure that the LA is delivering the infrastructure that is required in its area, in line with a strategic plan that determines where the growth will be located and consequently, where the infrastructure investment will be required.

◆ **The Government should use their powers of intervention more frequently**

Although at present the Secretary of State (SoS) can intervene in the plan-making process, in reality the power is not utilised often, or to its full extent. The SoS, potentially through the proposed Local Plan Commissioners, should intervene more frequently where LAs are not progressing with their Local Plan and little effort is being made by the LA to rectify the situation in an expedient manner. Local Plan Commissioners should have the power to take over the plan making process in such circumstances to ensure that a Local Plan is progressed.

- ◆ **Reduced weight should be given to restrictive policies in the absence of an up-to-date Local Plan**

If a LA has no up-to-date Local Plan in place, then the decision maker should place a reduced level of weight on any conflict with the policies contained within the Local Plan. At present, the weight to be attached to policies depends upon whether the policy itself is deemed to be in accordance with national guidance. However, under the proposed new system, National Development Management Policies would have primacy if there was a conflict with local policy, so the decision maker could attach less weight to out-of-date Local Plan policies. This approach could be accompanied by a stronger presumption in favour of sustainable development where the Local Plan is more than five years old.

- ◆ **LAs could set their own planning application fee rate if the Local Plan is under two years old or alternatively, applicants for major development could apply directly to PINS**

LAs with an up-to-date Local Plan in place would be able to set their own planning application fee levels. However, those LAs that have a Local Plan which is more than two years old would have to revert to a nationally set planning application fee level. Alternatively, applicants for major development could be allowed to submit their application directly to PINS for determination, with the application fee also going to PINS to cover the cost of processing the application.

- ◆ **No payment of New Homes Bonus where the Local Plan is not up-to-date and a re-introduction of Planning Performance Grants**

LAs would only be able to access the New Homes Bonus where the Local Plan is up-to-date and aims to deliver the housing need figure in full **and/or** LAs that go above their housing need figure would be allowed to access double the level of New Homes Bonus. The government could also re-introduce Planning Performance Grants to reward LAs for the adoption and maintenance of an up-to-date Local Plan and for decision making in conformity with that Local Plan.

- ◆ **Developers are able to use their resources to support Local Plan production at Regulation 19 stage where they are promoting a draft allocation**

Developers who are promoting sites that are proposed for allocation in the Local Plan at Regulation 19 Stage could be allowed to provide additional resources (both financial and staffing) to support the LA in the lead up to and during the Examination stage of the plan. This would provide much needed additional support at the most resource intensive stage of the plan making process.

- ◆ **In the absence of an up-to-date Local Plan, the Framework could advocate a sequential test approach to the potential development of Green Belt sites**

The process of reviewing Green Belt boundaries through Local Plan preparation should be set out clearly in the Framework and should be robustly tested through the Examination process. In LAs where no up-to-date Local Plan is in place, an approach similar to that taken in areas of flood risk could be applied where applicants for sites in the Green Belt would be required to show that there are no other sites that could accommodate the development either outside of the Green Belt or on sites which perform the functions of Green Belt less well. This assessment could be made using the LAs Green Belt assessment from its evidence base, if one existed, or a similar piece of work prepared by the applicant.