

Planning and Infrastructure Bill - briefing for CLT Network members

March 2025

This briefing covers four key areas of the draft [Planning and Infrastructure Bill](#), explaining how they might affect CLTs.

Planning committees

Currently every local planning authority has its own policies on whether planning applications are decided by a committee of councillors, or whether that committee delegates authority to officers to make the decision. The government believes that too many applications are coming to committees, and that councillors are refusing policy-compliant applications under pressure from anti-development constituents.

So they propose two changes:

1. A national scheme of delegation, with ministers deciding what goes to councillors. The main aim of this is to ensure that all applications on allocated sites that officers deem to be in compliance with the Local Plan get determined by officers (and so are presumably permitted).
2. Mandatory training for councillors on planning committees, so they understand the valid grounds for planning decisions and don't refuse applications on invalid grounds, which then go to appeal and get approved wasting time and money.

What does this mean for CLTs? Well on the one hand it could be positive for the same reasons that any other sort of developer might welcome it.

But...

Most CLT applications are 'exception sites' and 'windfall sites' - land that hasn't been earmarked for development in the Local Plan. A significant minority may not be judged policy compliant. For example, quite a few CLTs have wanted to provide less

car parking per home than the Local Plan policy requires, with plans to reduce the reliance of residents on cars e.g. car and bike shares. Some CLT projects have been recommended for refusal by officers because they are outside the settlement boundary, but committees have approved them knowing that the site was chosen after an exhaustive search and is the only way to meet local needs.

CLTs have an incredibly high success rate of planning approvals - well over 90% - and refusals are as likely to come from officers as councillors. So, all in all, this may not make much difference to CLTs overall.

We will just push to ensure that the national scheme of delegation enables committees to consider any applications that officers are minded to refuse.

Planning fees

Currently the fees planning authorities charge applicants are set nationally. But the fees don't cover the cost of the service. Since the austerity cuts to local authority budgets began in 2010, planning services have suffered particularly deep cuts - both to planning policy and to development control.

The bill changes this so that planning authorities can charge fees up to a level that fully recovers their costs in determining a planning application. The fees can't also contribute to their work on planning policy or enforcement.

What will this mean for CLTs? Quite possibly, higher fees but a better and faster service in return. How you view this will probably depend on the precise costs, how you fund planning work, and how much it improves the service! But councils could choose to maintain discounted fees for applications such as small developments of 100% affordable homes, or community led proposals. CLTs will need to lobby local councils once they gain these powers.

Compulsory purchase

The last government introduced new powers in the Levelling Up and Regeneration Act 2023 to enable the Secretary of State to allow compulsory purchase of land at low prices to support affordable housing, education and healthcare.

This can get very complicated so I'll try to keep it simple here.

Currently if a council wants to compulsorily purchase some land to enable housing, it has to pay the 'market price', and that price is what any willing buyer would pay. This includes what's called 'hope value'. So take a piece of farmland. Its 'existing use value' reflects its use as farmland, which is quite low. But its 'market value' might reflect that developers would pay much more in the belief that they could get planning permission to build affordable homes. That price might be further inflated if they think they could wriggle out of obligations for affordable homes etc.

The 2023 legislation enabled a council - via the Secretary of State - to ignore that hope value and CPO the land at existing use value.

This is controversial and is still being challenged in the courts. One land agent recently described them as '[legalised theft](#)'. But it's completely normal in much of the rest of Europe, albeit alongside different planning systems.

Anyway, the new bill extends this option to town and parish councils, and makes it easier to issue CPO notices.

What does this mean for CLTs? Simply that you might be able to persuade your town, parish or principal council to compulsorily purchase some land at a low value to enable a project for affordable homes, healthcare or education facilities.

This could be useful where landowners are unwilling to sell their land, or where they are holding out for an inflated price. It might also be useful where - as has happened - CLTs have an interested landowner and get an option agreement, but in the time it takes to get a planning consent and the partnerships and finance together the landowner gets cold feet. In these circumstances there could be a compelling case for a council to CPO the site to enable the CLT development to go ahead.

The problem remains that CPO powers are underused by councils. They take expertise, patience, determination and resources in the form of legal advice. So whether a council - and especially a town or parish council - would be up for the fight over 10 or 15 homes, for example, is anyone's guess.

The CPO powers are an interesting complement to the Community Right to Buy expected in the forthcoming English Devolution Bill. We've written about the need for this to be [a broad right to develop](#) that would broaden the kinds of projects and assets that can be developed under the Community Right to Buy, leading to full community-led sustainable regeneration as opposed to bringing about individual projects. We've also written about the need to [get the approach to valuation right](#).

With a powerful Community Right to Buy and a council with strong CPO powers in your back pocket, a CLT would be in a more powerful position to negotiate with landowners.

Environmental protections and levies

Over the years successive governments have sought to balance their twin goals around housing and the environment.

The UK is among the most nature depleted countries in the world, and the decline has continued over recent decades. Many parts of the country also suffer localised issues like nutrient pollution in waterways. While poor agricultural practices are mostly to blame, housing development can be a significant factor.

The problem is that the solutions have often put the onus on applicants to measure their impact, mitigate those impacts on the site and then contribute to 'offset' measures locally. This can lead to a lot of extra capital cost, for one thing. It can also hugely increase the complexity and cost of the planning process itself if you have to pay consultants in ecology, nutrient pollution etc. to develop surveys and studies and design strategies and so on. We found in a [study for the CMA](#) that the cost of the planning system for CLTs now averages £11k per home - more than they typically pay for land!

We have also seen CLT schemes held up at planning for years due to issues like nutrient neutrality. Sometimes projects have also become unviable because of the extra costs required to deal with nutrient runoff and biodiversity net gain. This is a bind because CLTs always aspire to the highest standards. But it seems perverse to effectively block high quality and much-needed social housing in villages in search of

pretty minor environmental gains, rather than focusing on the big wins across the wider landscape. Indeed, the government points out that the current system is resulting in a very piecemeal approach to addressing environmental issues which happen at a landscape scale, and so is doing little to halt the decline of our natural environment.

So the government is proposing to phase in a new approach. In this, Natural England would develop Environmental Delivery Plans for specific locations, setting out a plan to address environmental problems and then a schedule of levies for developers to pay towards them. Applicants would then just need to account for that payment, but wouldn't need to do quite so much detailed work.

You can read a good briefing from the government on the plan [here](#).

What will this mean for CLTs? We'll need to see the nuts and bolts of it, but this should be very positive. It will mean less cost in developing planning applications, and may mean less cost - or at least a more predictable set of costs - to contribute towards environmental measures.

I hope we might use this as a model to explore other areas of the planning system where worthy goals are being put onto applicants, rather than being dealt with strategically by planning authorities or bodies like Natural England. Can we begin to row back on the huge increase in complexity over the last couple of decades?