

Balancing Growth And Conservation – Can The Planning Infrastructure Bill Unlock 1.5 Million Homes And 150 Projects?



Having pledged to build 1.5 million new homes and 150 major infrastructure projects during this Parliament, the Government has now published draft legislation which aims to help unlock some of the barriers to allow the speedy delivery of that development ambition.

In this article, we highlight the key changes proposed by the Planning Infrastructure Bill (the Bill) in relation to issues such as nature restoration; compulsory acquisition of land; and the delivery of net zero infrastructure; and we signpost the areas where future changes might be expected.

Businesses will be closely following changes set out in the Bill, particularly in relation to environmental delivery plans and the proposed nature restoration fund. However, it remains to be seen what amendments will be agreed in the coming months.

1. Environmental Delivery Plans and the

Nature Restoration Fund

One of the most notable aspects of the Bill allows for the preparation, by Natural England, of Environmental Delivery Plans (EDPs) with a view to strategic restoration of nature, and the creation of a Nature Restoration Fund (NRF).

An EDP will relate to certain areas and will describe particular types of development, certain environmental features (such as protected species or sites), and the potential damage that may arise if development were to proceed. An EDP may set out the conservation measures required to be undertaken, or a levy to be paid by developers which will be paid into a nature restoration fund to be used by Natural England, or a party acting on its behalf, to undertake conservation measures in that area, or potentially elsewhere, using new powers of compulsory acquisition.

The Bill makes extensive provision for consultation on draft EDPs and sets out the need for Secretary of State approval – to be given if the EDP passes the “overall improvement test” (i.e. the conservation measures are likely to be sufficient to outweigh the negative effects of the development on relevant environmental features). There are extensive provisions relating to judicial review challenges in relation to EDPs and enforcement and appeals provision in relation to the levy.

It is almost certain that this proposal is a response to the delay placed on housebuilding in certain parts of England in recent years, while a strategic response was formulated to the nutrient overloading that those homes would create. EDPs could serve as a promising solution to address the need for nutrient neutrality on a broader scale, rather than relying solely on site-specific approaches. However, environmental campaigners have raised concerns about the range of issues that EDPs might encompass. Additionally, there are questions regarding whether developers would navigate the complexities of a levy system

effectively or proceed with development before Natural England delivers the required mitigation.

2. Planning decisions and committees – size and training

Planning application fees are currently set nationally, but the Bill allows for regulations to be introduced that will enable local planning authorities to set their own fees, provided that the income is applied towards their functions and those fees do not exceed their costs, and fees cannot be used to price-out developers. Given the funding deficits in local planning, we expect this to be welcomed by Local Authorities, but it may result in substantial fee increases which will concern developers. Measures are also proposed to restrain the size of planning committees in order to promote a higher quality of debate and decision making.

The Bill could also provide the option of a national scheme of delegation to be introduced – setting out which applications can be determined by Officers, and which must be determined by Members. However, in future those decisions may only be taken by those who have undertaken training and hold a certificate to prove their qualifications. The aim here is to reduce the delays and costs associated with appeals when Members depart from Officers' recommendations.

3. Development Corporations

Development Corporations have long been used to facilitate complex urban development and regeneration, and the Bill proposes a variety of reforms to 'create a clearer, more flexible, and robust framework' for the operation of Development Corporations, with the intent that more housing can be delivered.

The Bill proposes:

- Greater flexibility for Development Corporations in terms of the variety, extent and types of the geographical areas over which they can operate.
- That Development Corporations have due regard to sustainable development and climate change mitigation and adaptation.
- To standardise the types of infrastructure that Development Corporations can deliver (not to include heat networks).
- A duty of cooperation between Development Corporations and local transport authorities to integrate new towns into the wider spatial plan for the area.

4. Compulsory purchase reform

The Government considers that compulsory purchase powers are an important tool for land assembly in the context of delivering housing, regeneration and infrastructure. The Bill proposes a series of amendments designed to speed up the compulsory purchase process and thereby make it more efficient:

- Statutory notices can be delivered electronically, and newspaper notices should become simpler;
- The vesting of land or property should be quicker;
- Basic and occupier's loss payments will be adjusted, and;
- The existing power to remove "hope value" i.e. land value which can be attributed to the prospect of planning permission being granted, will be extended in certain circumstances.

5. Strategic planning

The Bill proposes a return for strategic planning in England. Those who have been working in the planning system for a while will recall Structure Plans (abolished in 2004), Regional Planning Guidance, and Regional Spatial Strategies (abolished

more or less in 2011).

Strategic Planning Authorities, and strategic planning boards – groupings of upper-tier County Councils and Unitary Councils established by the Secretary of State – will need to prepare a Spatial Development Strategy (SDS), setting out the development and use of land in that area which is of ‘strategic importance to that area’. In particular, the SDS might describe:

- The amount or distribution of housing (including affordable housing) in the area.
- The provision of infrastructure needs to support or facilitate development; to mitigate or adapt to climate change; or promote or improve the economic, social or environmental wellbeing of the area.

The Bill sets out detailed provisions relating to consultation, representations, and public examination, and adoption of the SDS.

6. Infrastructure projects

Mindful of the 150 major projects proposed by the Government, which includes commercial infrastructure such as gigafactories, data centres, digital infrastructure, freight and logistics, as well as the nationally significant infrastructure projects such as expanded airports, highways, and power generation; the Bill makes a series of amendments to speed-up delivery by reducing consultation requirements and legal challenges.

Key changes proposed include:

- A review of national policy statements every five years.
- Disapplying a requirement for a development consent order in limited circumstances, for example the Town and Country Planning Act 1990 route is more appropriate.
- Limiting the obligation for applicants to consult with

‘category 3’ consultees.

- Limiting the ability to apply to the Court of Appeal for leave to appeal when seeking judicial review of national policy statements (NPSs) and Development Consent Orders (DCOs) (where the case is deemed totally without merit); and removing the paper permission stage for judicial review of NPSs and DCOs.

Regularly reviewing and updating national policy statements is vital to ensuring their effectiveness and relevance. While the remaining provisions may not significantly accelerate the process of preparing applications for consent, the reduction in compulsory consultees is likely to be seen as a positive step by developers. There is also potential for additional legislation to be introduced in the future.

7. Electricity storage, grid and community benefits

Long-term electricity storage

In addition to the various streamlining proposals in relation to planning, the Bill amends the Electricity Act 1989, requiring Ofgem to establish and operate a cap-and-floor scheme to encourage the development and use of long duration electricity storage installations, which can discharge electricity at full power for eight hours or more.

Grid connections

In its Explanatory Notes to the Bill, the Government stated that “the current ‘first come, first served’ connection system 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". Accordingly, in an effort to resolve the delays that some electricity generation and storage projects have in connecting to the grid, the Bill gives Ofgem the power to amend electricity licences and grid connection agreements "only for the purpose of improving the process for managing connections to the transmissions system or the distribution system". The Bill proposes that the power should only be for a temporary period and would expire three years after the relevant section comes into force.

Community benefits for transmission projects

Community benefits packages have been a long-standing part of onshore wind and early-stage offshore wind, and they enable financial payments to communities impacted by the relevant projects.

The Bill proposes the establishment of a scheme to benefit those living near new or expanded electrical plant (such as sub-stations) or electric lines, which form part of the transmission system. The benefit will, in most cases, be a credit against electricity bills, with the Government's 'minded-to' position being a £250 discount annually for up to ten years.

8. Next steps

The Bill was formally introduced to the House of Commons on 11 March 2025 and will proceed to a second reading, where the main principles of the Bill will be debated – the date for that debate has yet to be decided. Following that second reading, a Public Bill Committee will be convened to take evidence on the Bill, including proposed amendments to it. Following the Committee's deliberations, the Bill will return to the House of Commons for reporting and a third reading. A similar process will occur in the House of Lords prior to the Bill receiving Royal Assent – probably before Parliament

breaks for summer on 22 July 2025.

In the coming days and weeks, parliamentarians will be in 'listening mode', seeking to understand the reaction of developers, communities, and environmental groups (amongst others) in order to see where the Bill can be amended in order to make provisions acceptable to all stakeholders. Given the response from industry so far, we expect further debate and ultimately a number of amendments to the Bill in the coming months.

Read the original article on [GowlingWLG.com](https://www.gowlingwlg.com)

The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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