Getting Great Britain building again: Speeding up infrastructure delivery

Introduction

The United Kingdom has a strong track record in building infrastructure. Since 2010, we've built or updated 1,100 miles of major roads, increased offshore wind capacity 20 times over from 674MW to 14,200MW to power the equivalent of over 10 million homes, and delivered gigabit capable full fibre connectivity to more than 18 million premises – the largest upgrade of digital capacity in our lifetimes. On any measure – digital, transport, energy – our country has one of the most advanced infrastructure networks on earth.

This government has improved how major infrastructure projects are approved. The biggest economic infrastructure has been consented through the Nationally Significant Infrastructure Projects (NSIP) regime introduced by the Planning Act 2008. Secretaries of State now set out the need for infrastructure in national policy, and take decisions based on recommendations following an independent examination conducted by specialist planning inspectors and enabling representations from interested parties. Over 120 major projects have been successfully delivered this way, with a 95% approval rate of applications submitted for development consent. That includes Dogger Bank Offshore Wind farm, one of Europe's largest renewable energy projects; Hornsea Two, the world's largest operational offshore wind farm; and Hinkley Point C, the first new nuclear power station for a generation. That is a step-change compared to the pre-2010 situation. The Heathrow Terminal 5 process, for example, involved nearly 40 separate applications under 7 pieces of legislation, cost over £80 million and took 8 years to get approval. The NSIP regime initially cut down the period it took to get projects approved to around 2.5 years. [footnote 1]

Yet we face new challenges and we need to build more. Even with the level of our infrastructure, every day, communities, businesses, and people up and down the country are slowed down by congestion or lack of access to the physical and digital connections they need. This is holding us back. The UK will not be able to meet its long-term objectives – whether that be building more housing, spreading opportunity and prosperity across the country, or decarbonising the economy – without building the right economic infrastructure. We have got to build more wind farms, roads, reservoirs, and railways to connect people to opportunity, drive productivity and prosperity, meet the challenge of climate change, and forge a dynamic growing economy in every part of the UK.

We have made commitments that need to be delivered. The UK government has committed to deliver over £600 billion of public sector net investment. That is the highest sustained level of public sector net investment as a proportion of GDP since the late 1970s. Our pipeline and plans include investing £36 billion into transport projects in the North, Midlands and around the country, more than trebling our offshore wind capacity by 2030 and deploying 4 times more solar by 2035. To power homes with that energy, we will need to lay around 4 times as many electric cables

in the next 7 years as we have built since 1990. As we transform our economy to deliver net zero by 2050 and attract investment in new and growing industries, our pipeline is only likely to grow. Spending commitments and ambitious targets are no longer enough. Successful delivery of infrastructure is what we need to focus on so that we can bring tangible benefits to communities, businesses and people.

So, the UK needs to build faster. Even with the infrastructure that we have built, the public money committed, and the private investment attracted, the delivery of big infrastructure projects in our country could be much better. It is too slow. Too bureaucratic. Too uncertain. Our planning system has slowed down – with some large projects now taking around 4 years to get to a final yes/no decision. There is a complex picture behind the slowdown in the system, including covid impacts, changing technologies, and an increase in the number and complexity of projects. The document count for every application continues to rise. More litigation contributes to increased uncertainty and caution. The system responds with more process, but longer processes are not leading to better outcomes. All these factors detract from the focus we need on delivery. We need to speed up every part of the process, get the time it takes on consenting decisions back down to 2.5 years, and hardwire a focus on delivery into every part of the system.

The UK also needs to build cheaper. These problems increase risk for investors and developers and drive up costs, making the UK one of the most expensive places to build on earth. Too many projects are going over budget and taking longer than they should. Sometimes that is inevitable, particularly during periods of inflation. But that does not explain why it is costing more in the UK to build a mile of road or train track compared to our European neighbours. Our ability to project manage must improve. It's time that we not only got better at tracking and delivering our key projects – but also got better at driving down costs, and making sure that infrastructure projects deliver better value for money.

We've already made a start on reforms – now is the time to go further. We are going to tackle delays at every stage of the process, and we are going to get the UK building big infrastructure projects quicker, cheaper and with more certainty than before. We already have a very active programme of reform set out in the National Infrastructure Strategy (2020), Transforming Infrastructure Performance (2021), British Energy Security Strategy (2022), Nationally Significant Infrastructure Projects Action Plan (2023) and the Consultation Plan (2023) and the NSIP system that closed in September. The government will publish a formal response to that NSIP consultation in due course. We are also addressing many of the issues raised by the recent reports of the National Infrastructure Commission (NIC) and the Electricity Networks Commissioner. We have published responses to both today.

We recognise that all this work is foundational to reform. This document sets out why we need to go further than those changes and how our new approach will bear down on the drivers of delay, high costs and inefficiency. Our new approach is based on 4 themes:

a. Theme 1: Speed – Improving decision-making, making decisions faster and more consistent.

- **b. Theme 2: Certainty** Creating more certainty for investors and developers.
- **c. Theme 3: Simplicity** Minimising bureaucracy and the frequency of legal challenge.
- **d. Theme 4: Delivery** Structuring incentives within the system to drive project delivery and to discourage unnecessary delays.

We will continue to deliver the reforms set out in the NSIP Reform Action Plan and consider the responses we have had to our recent consultation on operational reforms. Further, we will focus on a set of short-term, immediate actions to speed up the delivery of major infrastructure projects across the country. Alongside this, we will work with industry to develop a new, long-term set of proposals to tackle some of the fundamental issues that impose red tape, spike build costs, and slow down delivery. Nothing in our approach will reduce proper consideration of major infrastructure development and key environmental and community protections.

Our action is largely focused on the delivery of major infrastructure projects consented under the Planning Act 2008 in England and Wales and in Scotland in very limited cross-border circumstances. [footnote 2] Recent reports have, however, made clear that reforms are needed to the Scottish planning system so decisions for electricity network connections in Scotland are made more efficiently. [footnote 3] The UK government is committed to working with the Scottish Government on the changes to its planning system. We also note that the Welsh Government is planning to reform its own process for approving developments of national significance through the Infrastructure (Wales) Bill.

By speeding up every part of the process and hardwiring a focus on delivery into every part of the system, we can prepare the United Kingdom for the challenges of the 2030s and 2040s, lay the foundations for the economic infrastructure of the future, and make sure that everyone across our country benefits in the opportunities ahead.

1. Why we need to make changes

Decisions on major infrastructure are always a matter of balancing the need for new infrastructure against the wider public interest. In today's world, some of the core considerations about development proposals naturally cover environmental impacts and the need to address climate change. The balance of decisions on these projects – the pros and cons, benefits and impacts – are considered through the lens of law, regulation, national policy and local policy. As our world has become more complex, new infrastructure projects and decision-making have also become more complex. With any system or process, we must always be asking whether it is still fit for purpose and how it can be made better – even one set up as recently as the NSIP regime.

Since 2020, there has been a 40% increase in the number of major infrastructure projects going through the NSIP system, compared to the number between 2016-2019. And major infrastructure projects are now not moving at the speed we need to meet the challenges we face. From inception to completion, delivering projects takes too long. The number of projects in the pipeline means that we need a system that delivers decisions with speed and consistency, offers certainty for investors and developers, and incentivises delivery. As it stands, our system is not performing well enough on these measures.

It is taking too long to make decisions. The <u>NSIP Action Plan</u> recognised that decisions on major infrastructure projects have slowed down. Overall, the system has worked well since its introduction, but more projects are now being delayed. As outlined above, the increasing number of projects seeking consent, the complexity of projects and new technologies as we decarbonise our economy, and the need for greater focus, certainty and speed is challenging everyone with a role to play. Over half of decisions now have delays with the average delay lasting 9 months – with one project being set back by over two years at the decision stage alone.

Waiting around for decisions pushes up staffing costs. On large infrastructure projects, the National Infrastructure Commission estimates that teams can cost around £1.5 million to run per month. Footnote 41 As delays are uncertain in length, it is not possible to simply disband and reform teams as issues are resolved. So that means developers paying workers to sit around, unable to make progress, waiting for the outcome of decisions. These delays make it equally harder for builders to plan across multiple projects – forcing them to rely on more expensive sub-contractors and discouraging business investment in new technology and skills because of uncertain income streams.

There is too much uncertainty. More projects have faced legal challenge than ever before. Over half of all legal challenges to NSIP decisions have been brought since 2020 - 19 out of the total 32. Even unsuccessful legal challenges can set a project back years in delays. For example, National Highways state that Transport Action Network's legal challenge to the A428 (Black Cat to Caxton Gibbet) has pushed back planned construction by around a year. [footnote 5] Judicial reviews of NSIP decisions also stalled the connection of 3 offshore wind projects and 3,500MV of clean energy to decisions, but it has a chilling effect on actors across the whole planning and delivery system and embeds caution. Rather than project managers and those working on major projects being able to innovate to find solutions, to speed up delivery, or to achieve better outcomes, some must spend time covering every possible angle of legal challenge.

Case study: A428 Black Cat to Caxton Gibbet scheme

The A428 between St Neots and Caxton Gibbet is a stretch of single carriageway between the M1 near Milton Keynes and Cambridge. National Highways plans to upgrade the route with a new 10-mile dual carriageway. This scheme will improve connectivity between Milton Keynes, Bedford and Cambridge, cutting journey times by more than a third at peak times and ease congestion on the existing and surrounding roads.

Given its size and importance, the A428 scheme was classed as a Nationally Significant Infrastructure Project. It was granted planning permission – in the form of a development consent order – on 18 August 2022 by the Secretary of State. National Highways were due to begin construction in late 2022.

However Transport Action Network submitted a legal challenge, applying to the high court for permission to judicially review the Secretary of State's decision to grant the A428 planning permission. This delayed the start of construction works.

On 31 March 2023, a judge refused the Transport Action Network application to judicially review the Secretary of State decision. The judge refused the application on all 3 grounds put forward by Transport Action Network. Transport Action Network did not, however, accept this ruling and chose to take their application to challenge the planning permission to the Court of Appeal. On 18 May 2023, the Court of Appeal refused the application, meaning that the legal challenge came to an end.

But this legal challenge has disrupted the start of construction by around a year with early construction work getting underway at the end of this year, rather than last year. This has pushed back the road opening from 2026 to an expected 2027, delaying when the benefits of faster journeys will be felt by drivers.

Research from the National Infrastructure Planning Association [footnote 7] highlighted administrative barriers that can serve to make the system inflexible. For example, most developers of big infrastructure projects surveyed could cite cases where they did not pursue potentially beneficial changes once they had started building due to the complexity of seeking post-consent approvals. The system needs to be more responsive to allow post-consent changes where these can deliver better, greener, or cheaper outcomes.

The volume of documentation slows decision-making and reduces transparency. As projects become more complex, and seek to mitigate uncertainty, the paperwork they generate has increased. Some applications have generated more than 90,000 pages of documentation on the Planning Inspectorate website. To put that into context, if a planning officer spent every minute of a 37.5 hour working week reading a 90,000 page application, it would take roughly 395 working days to read it all. [footnote 8]. The volume of constantly changing documentation serves to make the consenting process less transparent for communities with the sheer volume of material making it hard to keep up.

Case Study: UK Environmental Impact Assessments and Renewable Energy

The UK's current environmental assessment regimes originate from EU law. The regimes require assessment of the environmental effects of development plans, programmes and projects. Over time, they have become beset by issues. The processes are highly risk averse and inefficient; and the reports inaccessible to many, and duplicative of assessments carried out elsewhere. For major projects, their length has exponentially increased: assessments for offshore wind can stretch to over 10,000 pages alone, while Sizewell C's environmental impact assessments reached a staggering 44,260 pages – more than 30 times longer than the complete works of Shakespeare.

Despite the thousands of pages of environmental assessments completed, the current assessment regimes have struggled to keep up with current challenges and changes to legislative contexts and they are not supporting the delivery of our target to restore species abundance. That is why the government has taken powers to overhaul the regime in the Levelling Up and Regeneration Act with a new outcomes-based approach: Environmental Outcomes Reports.

The EU itself recognised that the detailed procedures required under Environmental Impact Assessment regime could be a barrier to speeding up the clean energy transition. In the response to Russia's illegal invasion of Ukraine and the need to make the EU less dependent on fossil fuels, the European Commission reinforced its Renewable Energy Directive, enabling a fast-tracked environmental assessment process in areas identified as having high renewables potential and low environmental risks.

Source: Sam Dumitriu, Why Britain struggles to build infrastructure, November 2022

Our recent consultation on operational changes to the system will provide us with more evidence about how developers are engaging with communities as they develop plans, and whether consultation is as effective and proportionate as it could be. Developers are required to consult local communities before finalising their application, and we see instances of good practice in this area. But the desire to lower the likelihood of legal challenge may drive a tick box approach, rather than the effective engagement needed to get projects right. An average project already spends two years at pre-application stage, which often includes multiple rounds of consultation. The spiralling costs of completing these exercises has been cited by leading industry figures as a reason why it costs more to build here than in Europe. [footnote 9]

None of these issues are intentional or by design: it is the combination of a more complicated regulatory landscape and a greater focus on the environment and community engagement, which bring added complexity. Yet, ultimately, even with all these additional considerations, 95% of large infrastructure projects that come through the NSIP route are eventually approved. The same as a decade ago. So, the case for building big infrastructure projects is as strong as it always has been, but it is now taking longer to get these projects through the system and more time, effort, and money to then get them approved. More process and paperwork do not necessarily deliver better outcomes – for the project, communities, or the environment. Every single additional pound spent filling in more forms and navigating a complex and legally fraught landscape to deliver projects, which will ultimately be delivered anyway, is a pound less that can be spent on the next project in the pipeline.

Taken together, all these issues – delay, complexity, uncertainty, and inflexibility – drive up the cost of building infrastructure in the UK. We are faced with the stark reality that if you want to build infrastructure of any kind, whether it be reservoirs, roads, trams or tubes, it will cost you more to build it in the UK. On a per mile basis, Britain Remade found that major transport infrastructure projects in the UK cost more to build than in almost all other major economies. [footnote 10] This is not because it is intrinsically any harder, more expensive, or environmentally risky to

build infrastructure in the UK. It is because all of the issues outlined have injected more time, more paperwork and more process into decision-making. These high costs will inevitably impact on the private investment that the UK needs to attract in an increasingly competitive global market. Higher build costs and lower levels of investment will ultimately mean that we can build less of what we need, and more financial burdens will be placed on taxpayers for public infrastructure projects and billpayers for private infrastructure projects. We need to change this from a position of strength before it significantly impacts on our international competitiveness – and that is what we intend to do – so that we are ready to meet the challenges of the future.

The UK's infrastructure cost problem

Britain Remade looked at 138 rail, tram and metro projects from 14 major economies and analysed the cost of each of these transport infrastructure projects. They found that the UK ranked 3rd from bottom with only Canada and the US being more expensive places to build transport infrastructure.

Rail – HS2

A 2016 PWC report found that the cost-per-mile of Phase 1 of HS2 has run at 5 times that of equivalent schemes in Europe; and more recent analysis by Britain Remade suggested even higher disparities – with the Paris-Strasbourg high-speed link delivered for 13 times less per mile than HS2.

Tram

Britain Remade analysis of 21 recent tram projects in Britain and France showed that, after adjusting for inflation, tram projects in Britain are 2.5 times more expensive than French projects on a per mile basis. The cheapest recent British tram project in Nottingham cost £66 million per mile, whereas the most expensive recent French tram project in Orleans only cost £60 million per mile.

Tube/Metro

At a cost of £676 million per mile, British underground projects are 2 times more expensive than projects in Italy or France, 3 times more expensive than Germany, and 6 times more expensive than Spain. Comparing projects in major cities, Britain Remade found that Barcelona added almost 30 miles of new underground line at a cost of £200 million per mile. In London, TfL reported in 2021 that the 2-mile London Underground Northern Line Extension to Battersea cost around £550 million per mile.

Source: <u>Sam Dumitriu and Ben Hopkinson</u>, <u>Britain's Infrastructure is too expensive</u>, <u>August 2023.</u>

2. Going further

Reforming infrastructure delivery is a long process. As we set out above, significant work is already underway:

The NSIP Action Plan: this was launched in February 2023 and strongly welcomed by the sector. It set out a comprehensive package of reforms to the NSIP process and wider planning system, grouped in 5 priority areas:

- i. Setting a clear strategic direction for infrastructure planning.
- ii. Operational reform to support a faster consenting process.
- iii. Realising better outcomes for the natural environment.
- iv. Recognising the role of local communities and strengthening engagement.
- v. System capability building a more diverse and resilient resourcing model.

The Plan contains 18 initiatives to speed up decision-making, increase certainty and reduce inefficiency by 2025, providing us with a strong foundation for delivering the government's major infrastructure project pipeline. Our consultation on our proposed operational reforms closed on 21 September, and we received 140 responses from a wide range of organisations and individuals across industry, professional bodies, local authorities, and communities. We are reviewing these with a view to publishing a government response early in 2024. We are committed to implementing the Action Plan reforms, and are already making significant progress, with most reforms expected to be operational from April 2024, including:

- Using new primary legislative powers in the Levelling Up and Regeneration
 Act to set shorter timescales for the examination of projects, enable cost
 recovery across the system, and introduce statutory timescales for postconsent changes.
- Reviewing, publishing and designating the key National Policy Statements covering at least 80% of NSIPs – on track for completion by end March 2024.
- Revising regulations and guidance, to enable and drive the implementation of reforms designed to simplify and speed up the consenting process.
- Improving services at the Planning Inspectorate and statutory agencies, with the consultation published on 25 July this year. Pending the outcomes of that consultation, key changes should be in place from April 2024.

Infrastructure delivery is complex and challenging, and the context is always changing, so it is important that government learns from, reviews, and responds to, ongoing changes and developments – whether that be sector specific challenges, new technologies, or other industry developments. Therefore, whilst we will continue to implement the foundational reforms set out in the NSIP Reform Action Plan, we are ambitious to build on these and to strengthen the system from the ground up.

The government's ambition in this area, and the priority we are giving to infrastructure delivery, is further demonstrated by various strands of ongoing work:

- Updating <u>Energy National Policy Statements (NPS)</u>
- We have fully revised the Energy NPS following consultation and stakeholder engagement. These are now published and will take effect for new planning applications from 2024.
- The revised NPS take account of extensive domestic and global changes since their introduction in 2011. They will allow for the application of a critical national priority criterion to be applied across more nationally significant low carbon energy infrastructure.
- This does not avoid the application of existing legislation covering environmental and habitat concerns but it will allow for a speedier approval system for the energy infrastructure vital to support the country's energy security and net zero objectives.
 - The Transmission Acceleration Action Plan: the government has today responded to the independent recommendations made by the Electricity Network Commissioner in the Accelerating electricity transmission network deployment report. We have also published Community Benefits for electricity network connections and will now look at how we can better embed community benefits alongside infrastructure development, recognising that communities hosting national infrastructure should receive recognition and benefits.
 - The National Infrastructure Commission Review of Infrastructure
 Planning: reported in April 2023 and proposed 6 ways to speed up the
 infrastructure planning process. Alongside this document, we
 are <u>publishing our response</u> confirming our intention to accept most of their
 proposals.
 - Offshore Wind Environmental Improvement Package: as committed to in the British Energy Security Strategy, we are taking forward measures to accelerate offshore wind consenting whilst protecting the marine environment. Measures include enabling strategic compensation, reforming environmental assessment for offshore wind through guidance and regulations, establishing a Marine Recovery Fund, and putting in place Offshore Wind Environmental Standards.
 - Marine Net Gain: the government will publish its policy document setting out the principles for Marine Net Gain, following consultation in June 2022. This will sure make that the English planning system respects and protects the marine environment, similar to the approach on land of Biodiversity Net Gain.

The government's new approach will build on all this work and will go further in two ways. As a first step, our approach contains a range of shorter-term, rapid improvements that we will deliver in the next year. These changes are designed to shorten the delivery times of projects through targeted interventions at every step of the process. They will streamline the system with quicker, more consistent decisions, more policy and regulatory certainty, less bureaucracy, and stronger incentives to

drive delivery. This work is a vital down payment in improving infrastructure delivery for the future.

But a long-term programme of reform must underpin these shorter-term measures. That is why we are also setting out a range of longer-term initiatives that will build the case for reform stretching into the next Parliament, signalling our intention to drive structural reform over the rest of the decade.

Short-term package

Theme 1: Speed – improving decision-making, making decisions faster and more consistent

To change processes and capabilities to speed up and improve the reliability of decision making:

The Planning Inspectorate is implementing changes to make its processes more efficient and make sure the right people are in place. The Planning Inspectorate routinely meets the current statutory time limits, but we think we can speed things up whilst maintaining and improving quality of service. We are already improving working practices through digital transformation and refreshing services and will go further to deliver a data-driven application process that reduces paperwork and increases transparency. We increased the number of NSIP Inspectors by 70% since spring this year and will add more by spring 2024, increasing the number of trained NSIP inspectors to over 90. The aim is that these changes, combined with greater engagement earlier in the process from applicants and statutory consultees, will cut up to 5 months off the consenting process. This will reduce it from 17 months to 12 months for those projects using a new fast-track route from April, through:

- Cutting the non-statutory pre-examination period in half, reducing it from 3-4 months to 2.
- Reducing Planning Inspectorate examinations from 6 to 4 months and cutting the reporting time from 3 to 2 months, while maintaining the quality of reports, subject to delivery of other elements in the NSIP Action Plan.

We will build the capability and capacity of key local authority partners. We will update planning guidance to set out the principles for the use of planning performance agreements between applicants and local authorities from spring 2024. We are also providing £2.7 million of funding to local authorities through our Innovation and Capacity fund. This will deliver 22 projects, enhancing the ability of local authorities to engage in the Development Consent Order process. Nearly half

of this funding is being made available to authorities acting as a key consultee on major transport projects. Our funding will support local authorities to develop the systems, knowledge and resource required to support existing projects in the pipeline, as well as benefiting future schemes. We intend to extend the fund next year. Funded projects this year include:

- Cambridgeshire corridor projects multiple initiatives that will deliver a new consents management system and additional capacity across local authorities to support them on several NSIPs including East-West Rail, so that decisions can be reached quicker.
- **Highway and other infrastructure projects in Essex** a forum to enable communities to better engage in the consenting process around projects, and resource to support faster post-consent discharge of conditions for the A12-A120 corridor, if the project is consented and goes ahead.
- A range of infrastructure projects across Norfolk expansion of existing workflow management systems and development of a discharge of requirements dashboard. These will be delivered with a new online hub to enable better engagement in consenting across local authorities and improved information for communities about projects, including the A47 schemes.
- Water and wastewater upgrades in Hampshire digital mapping and analysis to support early stages of project development and improve community engagement.
- Energy projects in North Yorkshire and Derbyshire projects to deliver shared evidence that helps development of NSIP applications and supports authorities to understand the impacts of projects.
- A Centre of Excellence run by Suffolk County Council, giving local authorities practical advice to improve how they deal with consenting major projects.

We will extend the Planning Inspectorate "early adopter" scheme. From April 2024, the Planning Inspectorate will offer improved pre-application services leading to a new fast-track route for NSIP projects that meet a quality standard. This will mean better prepared applications come forward, cutting out back and forth between planning inspectors and developers/promoters and lead to smoother, and faster, examinations of projects overall. We have 7 "early adopter" energy projects already trialling parts of the fast-track scheme^[footnote 11], including Five Estuaries Offshore Wind Farm off the coast of Suffolk, delivering up to 79 new wind turbines. We plan to expand the number of projects currently working with the Planning Inspectorate as "early adopters" to include additional transport and energy projects, including potentially East-West rail, and transmission projects.

Theme 2: Certainty – creating more certainty for developers and investors

To provide more certainty for developers and investors in infrastructure and make the UK more attractive to business investment:

We will complete the review of key National Policy Statements (NPS) by March 2024: updated statements for energy and national networks, joining the water resources NPS that was designated in September, will set out government priorities for national infrastructure and define clear policy tests for developers to meet. More clarity will improve legal certainty and reduce the scope for legal challenge.

We will simplify and standardise the process of updating future National Policy Statements: as set out in the government's response to the National Infrastructure Commission's recommendations, we will commission a new study to provide recommendations to government and report by the end of 2024. We will use this to streamline the process for reviewing NPS to provide clarity for developers in readiness for the next major cycle of updates later in the decade.

We will designate a new NPS for Nuclear Power Generation by 2025, to support our ambition to achieve up to 24 Gigawatts (GW) of nuclear power capacity by 2050: the current nuclear NPS, EN-6, was published in 2011 and at the time, the only commercially credible nuclear technology was large-scale (GW). There have been significant changes in the nuclear landscape since then, with emerging new nuclear technologies, Advanced Modular Reactor (AMR) and Small Modular Reactor (SMR) technologies, providing exciting opportunities for the UK. A new nuclear NPS will be developed to facilitate nuclear power stations beyond 2025, which incorporates GW scale, SMR and AMR technologies. DESNZ will consult shortly on the policy approach to siting new nuclear reactors as the first step towards designating a new nuclear NPS.

We will bring forward cost recovery for the NSIP consenting process by mid-2024: this will lock in greater capacity across the planning system by introducing full cost recovery for the work done by specific statutory consultees and the Planning Inspectorate. We will deliver this from spring 2024. Our specific intentions are to:

- Introduce cost recovery for pre-application services from the Planning Inspectorate from April 2024.
- Introduce cost recovery for statutory and pre-application services from several statutory consultees including Natural England, Environment Agency, Marine Maritime Organisation and Historic England. This will be accompanied by performance indicators for these services from April 2024.
- Launch revised guidance covering the preparation of applications, on proportionate and effective engagement and consultation, and clarifying the NSIP process. This will lead to better applications from the outset, a reduced risk of uncertainty and delay due to legal challenge, and result in better outcomes.

We will speed up delivery of electric vehicle infrastructure through new permitted development rights for charge points and make sure local authorities prioritise delivery: existing Permitted Development Rights allow local authorities, businesses and homeowners to install many electric vehicle charging points without the need for a planning application. We will consult on amendments to

permitted development rights to extend this further, making private charge point installation cheaper and easier. Subject to that consultation, implementation is intended by the end of 2024. Alongside this, we will also consult on amending the National Planning Policy Framework to make sure local authorities are prioritising electric vehicle charging hubs.

We will extend the critical national priority designation for more nationally significant low carbon infrastructure: nationally significant infrastructure will play a critical role in supporting our journey to net zero. This change will establish a stronger needs case for the low carbon infrastructure that will be vital to deliver net zero by 2050 via the new Energy NPS. More certainty will give project promoters more confidence and give planning inspectors and decision-makers a clearer basis to take consenting decisions – reducing the need for lengthy consideration and reducing ambiguity that can lead to potential legal challenge.

Theme 3: Simplicity – minimising bureaucracy and the frequency of legal challenge

To reduce bureaucracy in the system and tackle delays affecting infrastructure projects:

We will publish data on the geographical spread of NSIPs for the first time: we have launched a single publicly available repository of geo-spatial information on NSIP projects, available on DLUHC's <u>planning.data.gov.uk</u> website. This repository will offer red-line boundaries for proposed NSIP applications footnote 121 at the environmental impact assessment scoping stage, enabling users to access information to support their understanding of cumulative impacts alongside other land-use features and designations. The repository will be built out in the coming months ahead with further detail, as agreed with NSIP project owners. This will enable those involved in or affected by infrastructure planning applications to better understand the impacts on local places, communities, and the environment.

We will develop digital systems to increase the use of data over documents for NSIP applications: through Autumn Statement, we are providing £5.6 million additional funding for reform of the digital transformation of the Planning Inspectorate's processes, increasing productivity, speed and the transparency of NSIP application handling. These changes will build on the work already undertaken by the Planning Inspectorate to improve their data-handling and website interface. This will improve transparency for local communities and statutory consultees and increase productivity in handling applications.

We will improve the availability and use of environmental data to reduce planning processing times: good environmental data is important in supporting development to efficiently navigate the planning system and its various assessment requirements. We are aware that there is already a complex mosaic of data platforms and policies that are relevant to the development sector, and we recognise

the desire to bring this data together via a single portal. The government has many data-related projects to provide a more comprehensive view of the state of nature, such as The Natural Capital and Ecosystem Assessment programme, the planning data platform, and Environmental Outcomes Reports. We will make sure that these reforms and platforms are aligned to give developers easier access to better data, allow them to make informed choices, and reduce the impact of development on the environment, saving time and money. We will also work with the Geospatial Commission on their efforts to develop a standard taxonomy for land data.

We will explore how to ensure infrastructure delivery is not frustrated by inappropriate legal challenge: the government is concerned that the delivery of too many infrastructure projects is being slowed by repeated challenges. This leads to significant and disproportionate costs, often on the taxpayer, and delays on development coming forward. The government will therefore explore options to discourage repeated and potentially inappropriate legal challenges that add significant taxpayer costs, while maintaining access to justice in line with our domestic and international legal obligations. We will review different ways to do this, for example, amending the rules for unsuccessful or repeated challenges and will report on the findings of this review within 3 months.

Theme 4: Delivery – structuring incentives within the system to drive project delivery performance, and to discourage unnecessary delays

To put in place the right structures and right incentives to drive the delivery of infrastructure projects.

We will create a Star Chamber at the heart of government to drive infrastructure delivery: the government recognises the importance of maintaining strategic oversight of the consenting and delivery of NSIPs, which represent up to £30 billion of investment in the UK every year. We will therefore put in place a ministerially led forum at the centre of government. This forum will report to the Prime Minister or Chancellor of the Exchequer and build on existing structures in place to strengthen cross-government co-ordination of infrastructure delivery. It will have strategic oversight of major infrastructure projects, including those captured by the NSIP regime (such as electricity generation projects over 50MW in England). With the biggest infrastructure pipeline in decades, government needs to be at the forefront – driving delivery in a consistent and structured manner.

We will undertake a 3-month rapid review to explore how to increase productivity in the construction industry and how we can speed up construction delivery, including whether 24/7 working should be applied to more large infrastructure projects in the UK: this will consider onsite working practices and new technologies, reducing waste and error, which are the big causes of delays and costs, as well as looking at how to encourage greater collaboration. We will also look at round-the-clock, "24-7" working practices. These are possible within our legislative framework – subject to obtaining consent and consideration of

impacts – but it only applies to a subset of projects and a subset of working styles. Other countries, such as Spain, have reported success in applying 24/7 working to several key projects. Our review will assess if 24/7 should be applied to a broader range of projects, how it would impact costs, how noise impacts could be minimised in residential areas, and what we can learn from other countries. We will structure the review to focus on whether or not changes will deliver better and cheaper delivery outcomes, as well as improving outcomes for communities and the environment.

Long-term reform

Alongside the immediate programme of reforms above, we know that more fundamental consideration of infrastructure delivery is required over the course of the next Parliament. To support further improvements and better deliver our infrastructure pipeline into the 2030s:

We will rebuild our decision-making and delivery processes from the ground up with a renewed focus on speed, flexibility and outputs. Major transport schemes use a variety of different regimes for securing planning and consenting approvals depending on their size and scale. We will be looking at the thresholds under the Planning Act 2008 for road and rail Nationally Significant Infrastructure Projects, which were last consulted on in 2013. We will soon be publicly seeking views on the definitions in the Planning Act 2008 for highway and railway projects that require development consent. In addition, we will consider whether the Highways Act and Transport & Works Act regimes remain fit for purpose. We have already begun stakeholder engagement to inform the best way forward for delivering the announced reviews. We will engage with the broader planning and delivery sectors to identify other areas for focus and reform.

We will rebalance our country's position on the trade-offs that come with infrastructure development. Whilst UK infrastructure and our system is bespoke, we will consider how we can learn from other countries about how to build major infrastructure quicker whilst retaining our commitment to the environment and community engagement:

a. We will explore reform of the way consultation works to provide greater certainty, reduce delays, and deliver value for the taxpayer. Effective engagement and consultation allow developers and communities to work together to create development proposals that deliver benefits locally and for the country. Done well it can improve public acceptance, reduce the risk of subsequent legal challenge, and improve the delivery of infrastructure. But ineffective consultation brings little benefit. We want to look at best practice, including internationally, to make sure that consultation and engagement requirements and practices are effective and proportionate. The system should incentivise early, meaningful engagement between parties as applications for projects are developed.

b. We will further consider the approach to post-consent changes, building on the NSIP Action Plan, to make sure that project changes that will deliver positive impacts for projects, communities, and the environment can be approved more quickly. Under the status quo, developers are required to apply for additional planning permission if they propose project amendments that have 'materially new or materially different environmental effects'. We want to understand whether this disincentivises environmentally beneficial changes or makes them unviable.

c. We will also consider further how judicial review is working in the planning system and whether there may be options for improving the existing process.

We will create a taskforce, led across government by the Chief Planner, to draw conclusions by summer 2024, about the merits of adopting a more spatial planning approach in transport, water, waste and wastewater sectors, building on the approach in energy, and to set out next steps. Our system largely considers individual projects, and it is important that we can understand how different projects fit together, where the benefits and impacts are accruing, and whether this will deliver the optimum outcome for our nation. Spatial planning should help reduce uncertainty and risk for individual projects, by enabling better and earlier coordination of engagement of all parties involved in project proposals. We believe this should cut time from the consenting process. We are already making progress:

- The Geospatial Commission's report, Finding Common Ground, identified a range of cross-sector land use challenges, and recommended next steps, including establishing a Land Use Analysis Taskforce.
- The Marine Spatial Prioritisation Programme is considering the multiple uses of our sea and how we can balance the needs of sea users with protecting the marine environment.
- The Land Use Framework will be published later in 2023.
- Our first ever Strategic Spatial Energy Plan, in line with recommendations in the Electricity Network Commissioner's Report, will support us in meeting energy security and net zero commitments. We want to deliver a coordinated, whole systems approach to the planning of generation and network infrastructure, creating a more efficient system and reducing waiting time for generation projects to connect to the grid.

We will put in place a long-term plan so that we continue to have people who can deliver big infrastructure. Delivery relies upon planning, decision-making and construction processes but it relies just as much on having the right people with the ability, know-how, and skills to drive projects to delivery. As outlined above, we are taking immediate action to build capacity and capability in public bodies and put them on a more sustainable footing through cost recovery. We know there is more we need to do to build these essential skills across the public and private sectors. In our recent consultation on operational reforms to the NSIP consenting process, we sought views on the recruitment challenges facing those working in the sector. We are analysing responses, including views on the specific skills where the sector is facing recruitment challenges, and examples of successful programmes. We will use these responses to inform our strategy to deliver the right skills to support infrastructure delivery in the medium and longer term.

Next steps

We recognise that government must set clear direction when it comes to major infrastructure. That is why we have published this document and why we will now be taking the steps necessary to drive forward the proposals outlined above. In the next 12 months, we want to have made progress on the following:

By spring 2024:

- We will have published the government's response to the consultation on proposed operational reforms to the NSIP consenting process.
- The new Energy National Policy Statements will take effect. This will also extend the critical national priority designation for more nationally significant low carbon infrastructure.
- We will have completed the review of the National Policy Statement for national networks.
- We will have started to put in place changes to Planning Inspectorate processes to reduce the consenting process from 17 months to 12 months for projects using a new fast track route.
- We will have published data on the geographical spread of NSIPs for the first time.
- We will have created a Star Chamber at the heart of government to drive infrastructure delivery.

By summer 2024:

- Most reforms in the NSIP Action Plan will be operational.
- We will have updated planning guidance to set out the principles for the use of planning performance agreements between applicants and local authorities.
- The Planning Inspectorate will be offering improved pre-application services leading to a new fast-track route for NSIP projects that meet a quality standard.
- We will have brought forward cost recovery for the NSIP consenting process.
- We will have reviewed options on how to discourage repeated and potentially inappropriate legal challenges that add significant taxpayer costs, while maintaining access to justice in line with our domestic and internal legal obligations.
- We will have completed a 3-month rapid review to explore how to increase productivity in the construction industry and how we can speed up construction delivery, including whether 24/7 working should be applied to more infrastructure projects in the UK.
- We will have received recommendations from the new taskforce on spatial planning.

By the end of 2024:

- We intend to have extended the Innovation and Capacity fund to support local authorities to develop the systems, knowledge and resource required to support existing projects in the pipeline, as well as benefiting future schemes.
- More projects will be working with the Planning Inspectorate as "early adopters".
- We will have received recommendations from a new study on simplifying and standardising the process of updating future National Policy Statements.
- We will have consulted on and, subject to the outcome, we plan to have implemented any changes to permitted development rights for electric vehicle charge points.
- The Planning Inspectorate will be implementing many of its reforms, including digital transformation of processes.

Annex: Innovation And Capacity Fund (Round 2) Funded Projects

Local authorities play an important role in the Planning Act 2008 consenting process by helping to ensure that local issues are considered and understood. They also play a lead role in ensuring the infrastructure can be delivered in its unique local context and are often responsible for monitoring and enforcing Development Consent Order requirements and provisions and any relevant section 106 infrastructure obligations.

The government's Innovation and Capacity Fund is designed to support local authorities to improve engagement in the NSIP consenting process by providing funding to test what could be improved or done differently to help drive help drive better, faster and more resilient delivery of NSIP projects, and how additional capacity can support them in their role.

Applications for bids were open from 25 July to 29 August 2023 with details including guidance <u>published on GOV.UK</u>. Authorities detailed their proposed projects, the planned outcomes and their proposed success measures, alongside other details including the amount of funding requested. Two streams of funding that were open to eligible local authorities:

- Stream 1 for **projects relating to NSIPs in the transport sector** seeking funding for up to £350,000 for the financial year 2023/24.
- Stream 2 for **projects relating to NSIPs of any sector** seeking funding for up to £100,000 for financial years 2023/24 and 2024/25.

We have awarded funding to 22 innovation and capacity projects totalling £2.7 million involving 37 local authorities. The funded projects will deliver a wide range of improvements including digital mapping and spatial development, improved workflow management systems, consents management systems, dedicated resource to

coordinate the wide range of activity needed across multiple authorities to support the development of projects and their progress through the consenting process, development of area wide frameworks and strategies, and the commissioning of specialist studies to help shape project proposals.

Stream 1 funding has been awarded to the following authorities:

Norfolk County Council	Building on Round 1 funding to develop a new online hub for managing Norfolk's many NSIPs. £200,000
Essex County Council	Establishment of a multi-disciplinary Team to lead Discharge of Requirements work. £289,854
Crawley Borough Council (on behalf of Crawley Borough Council, Horsham District Council, Mid Sussex District Council, Mole Valley District Council, Reigate & Banstead Borough Council, Tandridge District Council, West Sussex County Council, East Sussex County Council, Surrey County Council, Kent County Council)	Establishment of NSIP Principal Planner & NSIP Senior Planner to establish Collaborative Resource Hub. £72,000
Cambridgeshire County Council	Bringing forward procurement of specialist resource for a number of NSIP projects including East West Rail. £268,000
Somerset Council	Feasibility Study of a strategic connectivity corridor, identifying interfaces between local schemes

and NSIPs, with a focus on Active Travel. £350,000

Cambridge City Council and South Cambridgeshire District Council

Establishment of NSIP Principal Planner & NSIP Senior Planner to establish Collaborative Resource Hub. £120,000

Suffolk County Council	Further development of the Authority's NSIP Centre of Excellence through a stream of activities, pilot approaches and guidance. £99,000
Norfolk County Council	Further development of the Authority's workflow management system, develop a new NSIP online hub and interactive mapping tool, and secure additional resource £100,000
Babergh District Council & Mid Suffolk District Council	Appointment of cross-authority shared support and project management resource to support cross-authority working and deliver shared technical advice. £50,819
South Norfolk and Broadland District Council	Appoint dedicated town planning and project management resource, and secure assessment of landscape matters for the area, develop a 'onestop' shop NSIP web system and build mapping capability. £100,000
Colchester City Council	Appointment of a NSIP Project Officer to provide a single point of contact for local authority in engaging with developer, communities and elected representatives. £60,000
Cheshire West and Chester Council	Single point of contact to coordinate engagement across various stakeholders in developing and implementing a NSIP proposal. £60,000

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Create digital mapping and spatial analysis tool to identify impacts of NSIPs, inform optioneering and communicate with the public. £85,000

Derbyshire County Council (engaging with Amber Valley Borough Council, Bolsover District Council, Chesterfield Borough Council, Derby City Council, Erewash Borough Council, High Peak Borough Council, North East Derbyshire District Council, South Derbyshire District Council) Develop joint working approach across authorities in Derbyshire, commissioning joint expert environmental studies, transport assessments and a joint local impact report, as well as establishing a Derbyshire NSIP Officer Working Group. £65,000.

Lincolnshire County Council and Essex County Council

Development of a NSIP data management software and recruit admin/tech support. £96,060

Cambridgeshire County Council

Development and implementation of a Consents Management System for current and future NSIPs. £100.000

Essex County Council

Appointment of consultants to develop and implement a digital and interactive mapping tool of sites in the Essex are to support on and offsite BNG habitat creation and enhancement. £97,360

North Lincolnshire Council

Appoint a specialist NSIP Delivery Officer to manage a whole systems approach. Includes dedicated resource to coordinate multiple responses, establishment of a cross-directorate

working group, and further work on digitalising the planning system. £100,000 Somerset Council Development of a Visioning Framework for multiple NSIPs in the Somerset area to understand their interaction and ensure benefits are maximised. £100.000 Cambridge City Council and South Secure the appointment of a NSIP Project Manager to oversee the coordination of NSIPs in the area. Cambridgeshire District Council £100,000 Kent County Council Development of a digital platform to support authorities across Kent, providing NSIP process and information in one shared area. £100,000 The North Yorkshire Council Development of a multi-disciplinary environmental framework for the area forming the basis of clear guidance against which proposals can be measured. £58,000

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