



# Building More, Building Better

The BPF manifesto for Planning



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The British Property Federation is the voice of the UK property sector. Our industry helps power the economy, adding more than £137.5bn a year, or 7% of Gross Value Added. We support one out of 12 jobs across the country and pay more than £7bn in direct taxes each year, contributing another £7bn indirectly to local communities through the planning system.

Our members include long term investors such as pension funds, who invest our money for long term returns that fund our later years. We thus have a driving passion to see a planning system that functions quickly, efficiently, and with certainty; which in turn delivers the places that make the country more productive and sustainable.

The planning system does not currently function effectively when it comes to the 'larger-than-local' planning that is required for major developments, or planning for both housing need and the logistics facilities that support communities. It is also under-resourced for the job it has to do. Meanwhile, the seemingly constant round of consultations and proposals for change creates a perpetual uncertainty over the direction of travel for the system. This has not only undermined its operation and effectiveness but has deterred significant investment in our built environment. One area where this is most apparent is local authorities being provided with adequate incentives to produce an up-to-date local plan.

Getting the delicate balance right - between taking action to tackle the longstanding challenges of our planning regime and supporting the operation of the existing system with more clarity and certainty - must be a focus for the next Government. This manifesto proposes an agenda for reform, setting out the practical ways our planning system can be improved for the better.

# Our proposals for reform



# 1. Strategic planning to drive growth in the right locations



### Our offer

The UK real estate industry already invests billions of pounds each year in building, maintaining, modernising and regenerating the buildings and places where we live, work and play. We could do more, faster, to create more sustainable buildings, more homes and more modern workplaces, if the planning system did more to enable, and less to hinder, capital investment.

### What is needed

An important change an incoming government could make to improve the planning system would be to introduce effective strategic planning, established as a requirement in the National Planning Policy Framework.

Strategic planning would improve the functioning of our plan-led system in a number of key ways. It would:

- ✔ Enable housing need across a single market or urban area to be addressed in full and fairly across authorities, to ensure much needed homes are planned for rather than falling through the gaps;
- ✔ Ensure that we plan holistically across local authority boundaries for employment uses - making sure that enough land is provided in the right locations to meet demand for key growth sectors such as industrial and logistics development;

- ✔ Enable joint working to ensure that cross-boundary and strategic infrastructure is adequately planned for, to ensure that growth is coordinated, sustainable and can integrate with existing urban areas; and
- ✔ Enable key 'larger than local' issues to be dealt with once at the strategic level instead of multiple times through each individual local plan process, avoiding duplication, reinvention and waste of resources and funding.

This approach will enable local authorities to focus on genuinely local issues in their Local Plans. It would also reduce the burden on statutory consultees, as they should only need to offer their advice once at the strategic level, where they can add the most value, rather than inputting into each individual local plan process. This would, in turn, reduce the delay which too often holds up decisions and progress.

## 2. More stability by allowing the emerging local plan system to bed in

### Our offer

Stability and certainty supports business investment. Applicants often have no idea how long a planning process will take and have little faith that policy and decision-makers' attitudes will be predictable or consistent. Reducing uncertainty will give property owners and investors the confidence to deploy more capital to invest in the homes and places of the future, creating more jobs and wider economic growth.

### What is needed

The BPF supports the current reform agenda, which seeks to speed up and digitalise the local plan process. Beyond this and the introduction of an effective strategic planning mechanism, as set out above, **any further fundamental reform to our plan-making system should cease**. A period of stability is needed to allow the new plan-making system a chance to bed in. This is needed given the significant amount of uncertainty generated through the ever-changing national planning reform agenda over the last decade.

The next Government should instead focus on making the new faster and simpler plan-making system work well in practice and ensure there are strong incentives in place for local authorities to deliver up-to-date local plans.



# 3. Further public and private investment in the planning system

## Our offer

The planning system needs more resources to deliver a better service. A slow planning system costs jobs, investment and economic growth. Our members are willing to pay more for a system that works faster and more efficiently. The BPF are also keen to work with the next Government to make the planning system more attractive to graduates and to help retain skilled staff. We are already working with industry partners such as the Planning Officers Society and the Royal Town Planning Institute to fund a cross-sector initiative which will focus on developing skills and capacity, building the reputation of the planning profession and restoring trust and confidence in the planning system among all stakeholders.

## What is needed

The BPF strongly supported the December 2023 rise in planning fees. However, despite this increase, the Department for Levelling Up, Housing and Communities still expects there to be a continuing shortfall between the costs associated with processing planning applications and money raised by application fees.

The next Government should therefore commit to significant additional resourcing for the planning system, recognising that an efficient planning system is a gateway to wider economic growth and regeneration.

Additional resource could come in a number of different forms:

- ✔ **An enhanced planning service** for larger schemes;
- ✔ A refreshed system with the private sector paying **higher fees in return for guaranteed levels of service**, and strong incentives for local authorities to meet these improved service standards;
- ✔ **Initiatives such as Public Practice**, which is doing excellent work increasing pride in public sector planning and attracting high-quality candidates to a variety of public sector roles across the built environment; or
- ✔ **A national training scheme for planning officers**, led by built environment professionals, to improve capability and confidence across a variety of topics (e.g. design or sustainability).

# 4. Abandon the flawed Infrastructure Levy and focus on improving CIL and S106

### Our offer

The current system of developer contributions secures huge public benefits to enable development to go ahead. The property industry currently pays around £7bn each year in such contributions – enough to pay for the entire NHS for two weeks. In practice, these contributions fund schools, GP surgeries, libraries and transport improvements. More funding for these vital public services and community infrastructure could be secured if the planning system was faster and more certain.

### What is needed

The BPF calls on the next Government to **abandon the plans for a new Infrastructure Levy** as it will create an even more complex system which will slow the development process and undermine the timely delivery of infrastructure. Instead, the focus should be on improving the existing system. The principles for an effective system of developer contributions should be that it is:

- ☑ **Flexible and responsive to local market conditions** – any system needs to be flexible enough to respond to market conditions on the ground and find solutions for our most complex urban sites. Used effectively, S106 is a useful problem-solving tool which has enabled the development sector to contribute £7bn billion a year to infrastructure and affordable housing by enabling sites to come forward which would not otherwise have done so.

- ☑ **Clear over the purpose of developer contributions** – the purpose of developer contributions should be to mitigate the impact of development locally and enhance the benefits to the local community. The developer contributions system can include tools to extract land value arising from public investment, but only in prescribed circumstances e.g. where value is created or sites are released due to public investment such as the relationship between Crossrail and Mayoral CIL in London.
- ☑ **Linked between payment and delivery of infrastructure** – the CIL system and, to a lesser extent, S106 are good at collecting developer contributions but much poorer at translating this into infrastructure delivery in a transparent way. Local authorities should be better held to account on how developer contributions are spent and the pace of spending.

# 5. A new conversation on the Green Belt – quality not quantity

## Our offer

We can provide the homes, workplaces, and communities the country needs if land is allocated which has good transport links and is close to existing settlements. This can and should include low quality parts of – often previously developed - Green Belt land if we are to meet housing needs.

## What is needed

We recognise that any reference to development in the Green Belt provokes strong reactions and that debate is often polarised. The reality is that the extent of the Green Belt has reached well beyond that originally designated, including land that is of poor quality and does not provide for wider recreational needs and public access. Much could be developed without harm to the Green Belt's original intentions or giving rise to urban sprawl.

We need to have a new conversation about the Green Belt which is qualitative and moves beyond an obsession with protecting historic boundaries, so we can meet modern needs. This should include looking again at 'grey land', not just brownfield, but land that is despoiled and poor quality. Often these sites may be a blight. But with many lying close to transport links, they could play a vital role in easing our housing crisis, whilst making best use of existing infrastructure in a manner that contributes to a sustainable pattern of development.

**A review of Green Belt policy would enable land that genuinely contributes to its original purpose to be protected whilst also enabling poorer quality 'grey' sites near existing transport to be released for much needed residential and employment use.**



# 6. Plan for all forms of housing need



### Our offer

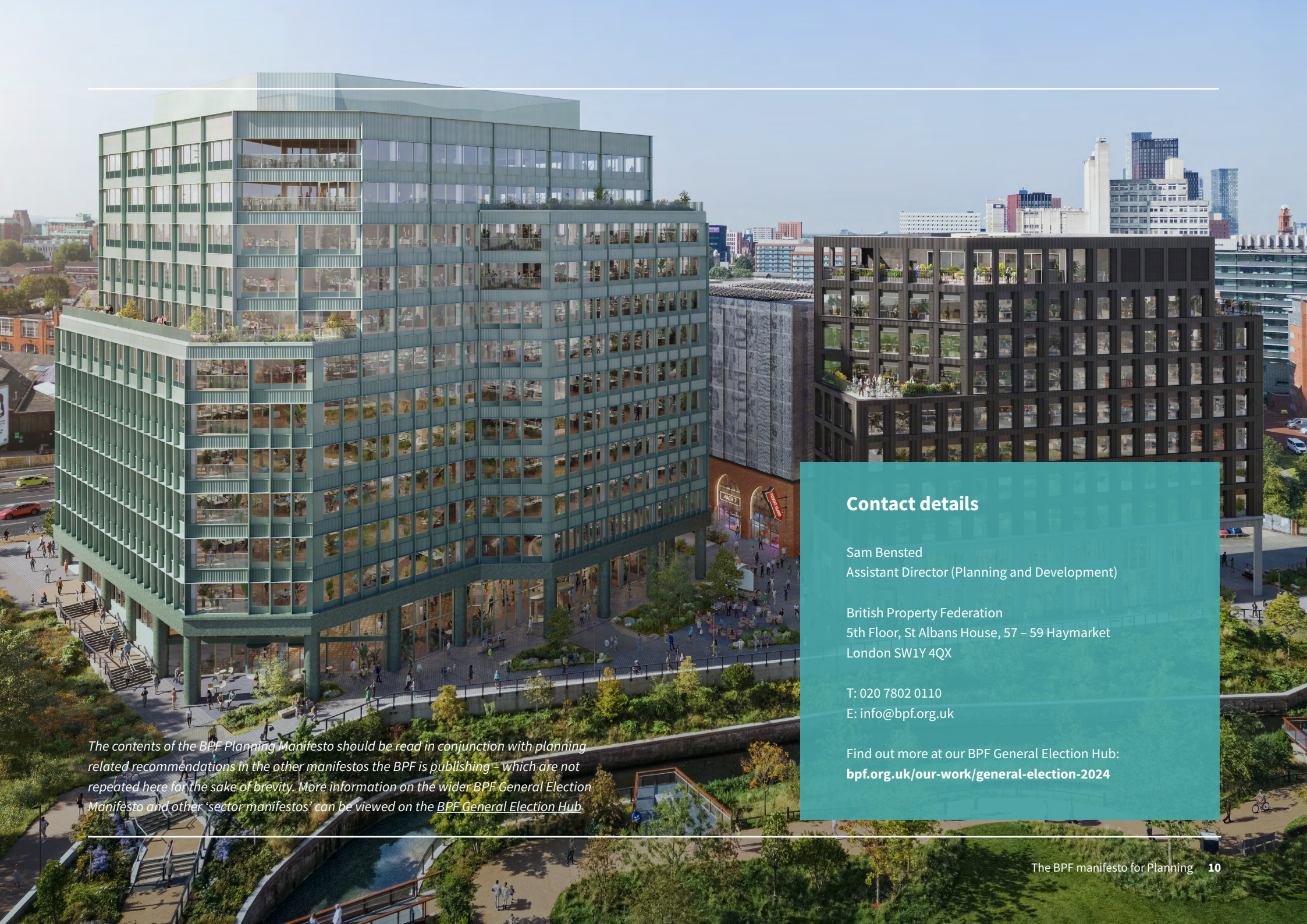
Our members deliver a range of rented housing options for parts of the population that are not catered for by the social housing sector, or home ownership. For example, Purpose-Built Student Accommodation (PBSA), Build-to-Rent (BTR) homes, or housing for older people. Such development is additional to other sectors, funded by institutional investment such as pension funds. It accelerates private sector delivery, as homes for rent are not hampered by sales absorption rates, as explained by the [Letwin Review](#).

For ease of access to public transport, rental development usually also takes place on brownfield land, and the need for such accommodation is nationwide. Nevertheless the above sectors are only briefly covered in the National Planning Policy Framework (NPPF) and National Planning Guidance (NPG).

### What is needed

A standard method for assessing housing need means all Local Planning Authorities are taking responsibility for housing demand in their areas. **We support binding housing targets that are based on a standard method.** Moreover, and specific to PBSA, BTR, and older peoples' housing, there is a combined need of 110,000 homes a year. At present, sector delivery is about 35,000 units.

The NPPF could specifically aid rental sector housing delivery **by being insistent on Local Planning Authorities' planning for rental homes, student, and older peoples' needs.** NPG for Purpose-Built Student Accommodation, Build-to-Rent homes, and housing for older people could also be strengthened. Taken together, such measures would mean local plans better reflect the need for such rental housing options, and therefore provide developers of such homes with greater certainty.



*The contents of the BPF Planning Manifesto should be read in conjunction with planning related recommendations in the other manifestos the BPF is publishing – which are not repeated here for the sake of brevity. More information on the wider BPF General Election Manifesto and other ‘sector manifestos’ can be viewed on the BPF General Election Hub.*

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Find out more at our BPF General Election Hub:  
[bpf.org.uk/our-work/general-election-2024](https://bpf.org.uk/our-work/general-election-2024)

