

**Amendments to  
Localism Bill – New  
Financial  
Considerations  
Clause**

**DLP BRIEFING NOTE 55**

Prepared by  
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The Localism bill has now undergone its third reading in the Commons, and has progressed to the Lords. As part of this process, MPs have recently amended the Bill, and have added in a number of new provisions, and changed others. One new clause, which is likely to attract considerable attention and debate, is a change that would allow Local Planning Authority's to consider the financial benefits that planning permission(s) would bring. This was voted through by 297 votes to 232, but is likely to come under particular scrutiny in the House of Lords.

This measure, which was to run in parallel with and link to the ***New Homes Bonus***, was intended to reward councils who support development in accordance with the coalition government's wider policy goals. It has however been condemned by a number of organisations, including the RTPI, as ***completely unacceptable***. Richard Summers, President of the RTPI has stated that:-

***We are appalled the Government is trying to introduce such a fundamental and potentially damaging change to the planning system without any consultation at such a late stage in the passage of the Localism Bill***

At the heart of the Government's change was a concern that the original intentions of the *New Homes Bonus* (see **Client Briefing 44** for more information) will be forgotten. Objectors however have commented that financial gain will now be seen to outweigh other factors, such as the views of the local community or environmental concerns, when planning applications are considered.


The amendment will result in a change to **Section 70 of the Town and Country Planning Act 1990** (Determination of applications for Planning Permission: General Considerations) as it changes grounds on which a planning application should be considered and making 'a local finance consideration' material to an application.

Former Environment Minister, Nick Raynsford MP, has publicly attacked the move, stating that the new clause is a '***fundamental threat***' to the planning system. He continues by saying:-

***It changes the presumption that planning permission cannot be brought and sold, which has been in the planning system for years. This is an extremely dangerous move.***

In defending the decision however, Decentralisation Minister, Greg Clark, disagreed, stating:-

***It does not change the law in any way, and it is not some stealthy way in which to introduce a new basis for planning policy. Everyone knows that section 106 payments that are material in planning matters can be taken into consideration. The new clause reflects the fact that the introduction of the Community Infrastructure Levy, and, potentially other rebates to the local community, as I like to call them, can be used for planning purposes'***



The passage of the Bill will continue to attract amendments and changes before finally obtaining Royal assent. Because of the nature of the Bill, and its implications, we will continue to review and advise on changes and would be happy to respond to any queries you may have.

If you would like to hear more about these changes, please do not hesitate to contact us.

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