



Department for Levelling Up,
Housing & Communities

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Emerging NSIP Reform

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SENSITIVITY MARKING



Introduction

Emerging NSIP reform

Part 1

Update on NSIP reform programme

The need for NSIP reform and implementing tangible changes to the system

Part 2

Supporting the role of Local Authorities

Ensuring that Local Authorities can continue to carry out their vital role in mediating local interest in national infrastructure

Part 3

Forward look for infrastructure delivery

What next for infrastructure planning and navigating through uncertainty

Part 1

Update on NSIP reform programme



Why have an NSIP system?

A bespoke process for bespoke projects and challenges

- A new route for securing development consent for major infrastructure projects was established in the **Planning Act 2008**. This sought to create a dedicated route for consenting of large-scale infrastructure.
- Established the **primacy of national need** infrastructure types, through the creation of **‘National Policy Statements’** – providing parliament support for types of infrastructure projects.
- A **one stop shop** for developers to secure powers for delivery, including compulsory purchase
- **Front loaded system** – statutory requirement for early engagement and a duty to have regard to responses

Improvement on the status quo...

Prior to the introduction of ‘Nationally Significant Infrastructure Projects’ route:

- Heathrow Terminal 5 took 8 years from application to decision with BAA had to submit 37 applications under 7 different pieces of legislation for Heathrow
- Sizewell B took 6 years.

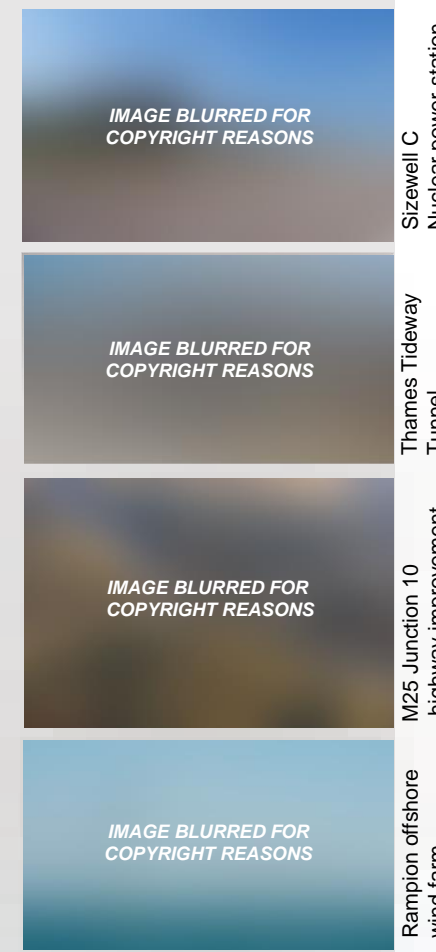
Under the NSIP system:

- Hinkley Point C was approved in 17 months from application to decision.

Since 2010:

125+
DCO
applications

95%
Approval
rate





System map of the NSIP consenting process

Planning Act 2008 and infrastructure planning regulations & rules

National Policy Statements

(13 overall, covering the main sectors, drafted by individual departments, laid before Parliament)

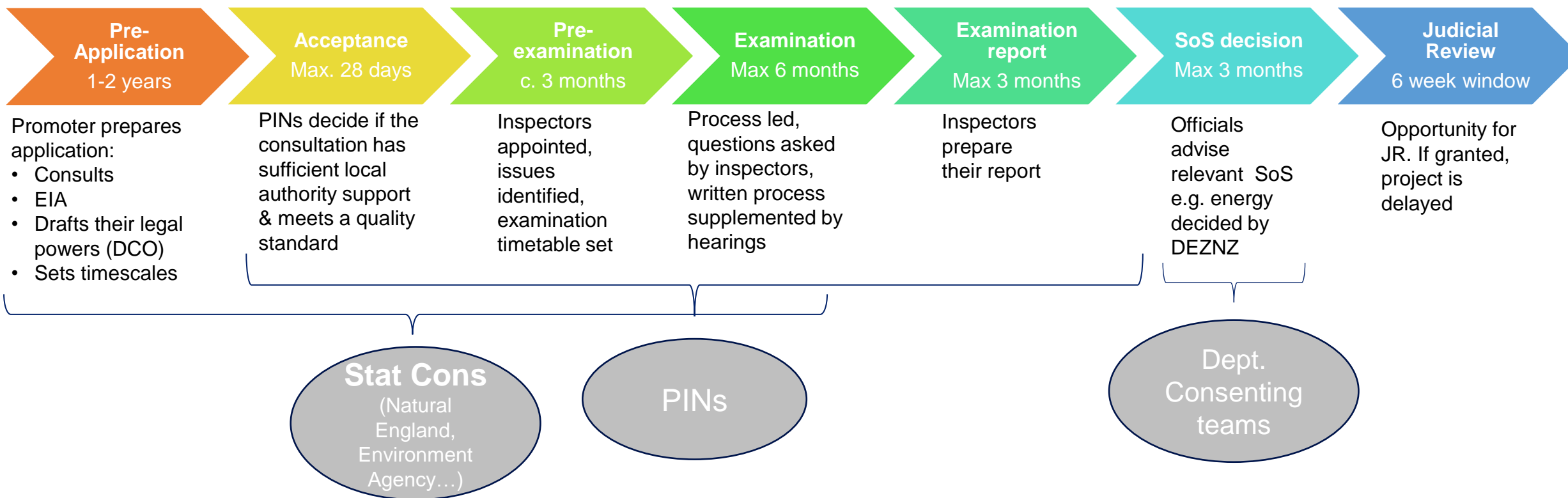
Water

Energy

Transport

Business & Commercial

Guidance





The Challenges – the need for reform

The system was too slow, too uncertain and too expensive



Timespan for DCOs has increased by 65% between 2012 and 2021, from 2.6 to 4.2 years. Delays longest in offshore wind and highways. **Only a third of decisions made between 2021 and 2023 made on time.**



An increase in the volume of documentation created during the NSIP process. Some applications have generated >90,000 pages of documentation.



The number of projects that are subject to successful legal challenge is increasing. There have been 4 Development Consent Orders (DCO) quashed in the system overall, all of which occurred in 2021.



NPSs in need of reviewing and updating. Updates to NPSs will ensure that the policy framework is able to support faster decision making and remove the ambiguity on the need case for infrastructure.

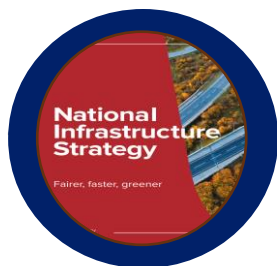
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Developing system ideas and policy

Working together to create tangible outcomes

November 2020



National Infrastructure Strategy

Advocating better, faster, greener delivery of infrastructure

July 2021



NSIP Operational Review

Minister of State for Housing launches government's review of the NSIP system

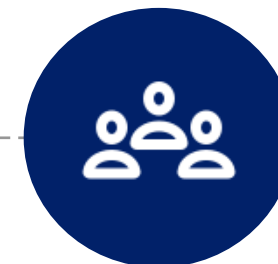
February 2023



NSIP Action Plan

Set out government's five key reform areas for improving the system

Summer 2023



NSIP Reform Consultation & Response

Sought feedback on the technical changes needed to implement reforms



Implementing system change

Bring policy into practice

New legislation

- New **primary powers** in the Planning Act 2008 through the Levelling Up and Regeneration Act 2023:
 - Cost recovery for statutory consultees;
 - Shorter deadlines for examinations
 - Decision making regulations for NMCs
- Updated secondary legislation – government reducing regulatory red tape

New guidance

- Launched new **National Infrastructure Planning Guidance Portal**
- Shift to a digital more navigable format.
- Better communication between government and stakeholders on when to expect new guidance.
- Aiming to have a full suite of new and revised guidance by the end of the year

New NPSs

- Recognition that there is a strong need to have up-to-date NPSs in place to ensure that the policy framework is ready for future pipeline
- **September 2023:** Designation of a new Water Resources NPS
- **January 2024:** designation of five new Energy NPSs - introducing Critical National Priority. New Nuclear NPS in progress.
- **Expected shortly:** Designation of a new National Networks NPS



Guidance was outdated and had not been renewed for over a decade. We are developing a new guidance suite to outline the system as we know it today

The NSIP portal includes guidance on key stages of the process, including:

- How to conduct clear and effective consultations
- How to prepare fast-track applications
- How to achieve faster examinations
- How to draft clear Development Consent Orders
- Updated fees and pre-application services from the Planning Inspectorate

- We have now launched a new **National Infrastructure Guidance Portal** – a new digital repository for communicating guidance and changes in one place
- In **Spring 2024** we published guidance on
 - Pre application
 - * **Fast track process for NSIPs (new)**
 - Content of a DCO (new)
 - Acceptance
 - Pre examination
 - Examination
 - Cost recovery for the Planning Inspectorate and public authorities (updated)
- Guidance reviews to be completed by the end of the year with proposed tranches in publishing in Autumn and Winter 2024.



Amending legislation



A suite of prescriptive infrastructure planning rules and regulations prevented necessary flexibility and proportionality in the process and certain procedures

Primary powers introduced by the **Levelling Up and Regeneration Act 2023** to allow SoS to set shorter deadlines for examinations to support the delivery of **Fast Track** applications.

Three new SIs laid in March 2024; *The Infrastructure Planning (Examination Procedure) (Amendment) Rules 2024*, *The Infrastructure Planning (Fees) (Amendment) Regulations 2024* and *The Infrastructure Planning (Miscellaneous Provisions) Regulations 2024*

- Introduces new system changes to ensure a proportionate and flexible approach can be adopted to suite the project in questions:
 - Allowing Examining Inspector to give pre-application advice and still be appointed onto the Examining Authority
 - Removing hard prescriptive statutory timescales (21 day for WRs, 21-day deadlines for hearings)
 - Raising the expectation on Relevant Representations to contain full details
 - Allowing applicants to use their website to advertise hearings.
 - Allowing digital documents to be sent to recipients without needing prior consent to do so.

Part 2

Supporting the role of Local Authorities



Innovation and Capacity Funding and Local Authorities

Supporting Local Authorities



‘Supporting local authorities to help drive better, faster and more resilient delivery of NSIP Projects’

- Local authorities play a **key** and **vital** role in the DCO process.
- There is no specific funding for local authorities to engage with NSIP projects, which can demand **extensive consideration** of **local issues**.
- The government established the Innovation and Capacity Fund, launched in June 2022.
- The funding has helped local authorities **innovate** in how they handle NSIPs, build **capacity** and **ownership**

Planning Advisory Service (PAS)

We have seen the PAS network grow significantly in the first year, with local authorities beginning to work collaboratively and share their experience. Local Authorities are collectively tackling challenges they face with the NSIP process. PAS will be looking at hosting issue specific sessions and running deep dive sessions to support knowledge.

£3.9m

of government investment into local planning authorities to support engagement with NSIPs



Innovation and Capacity Funding

‘Supporting local authorities to help drive better, faster and more resilient delivery of NSIP Projects’

I&C Round 1 (2022-2023)

- Supported local authorities which are affected by capacity and capability shortages in the system
- Able to bid for funds up to £100k
- We invited local authorities (or groups of local authorities working in partnership) to consider innovative ways in which their role in the NSIP system can be improved or done differently.
- **10 local authorities secured funding of a combined total of £1.2m**

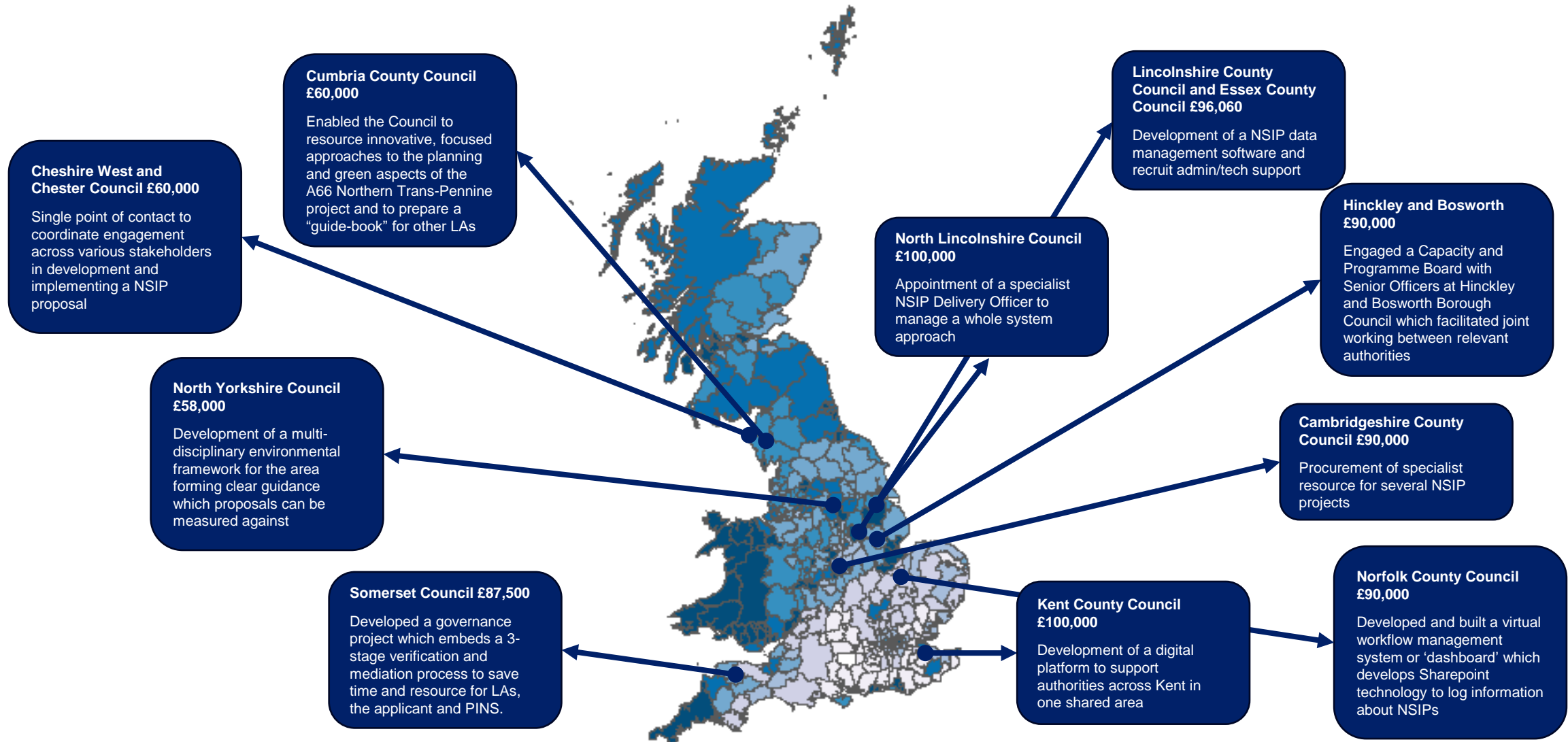
I&C Round 2 (2023-2024)

- An opportunity for local authorities to apply for funding up to £100k
- Projects relating to Transport NSIPs could apply for funding up to £350k due to a Department for transport additional contribution
- Supporting local authorities in dealing with NSIP applications to address the issues and challenges they face as key users of the system
- **A total of £2.7m has been awarded to 22 projects across 37 different local authorities.**



Innovation and Capacity Success Stories

‘Supporting local authorities to help drive better, faster and more resilient delivery of NSIP Projects’





Guidance and Local Authorities

Updates to guidance which support local authorities in their role for infrastructure delivery



Pre-application

- Updated guidance on 'Working with Local Authorities' with key messages of **engagement** -
- *'It is therefore vital that local authorities have been **fully engaged** during the consultation process undertaken by the applicant during the pre-application stage so that they are **fully informed** and able to **respond authoritatively**'*



Pre-examination

- Updates on **relevant representations** and the changes implemented through **amendments to legislation** which extend requirements relating to the relevant representations form so that it must include the **principal submissions** which the person proposes to make in respect of the application, and where practicable, the **full particulars** of the case.



Examination

- Updated guidance on **Local Impact Report, Statements of Common Ground and Areas of Disagreement** -
- *'the LIR is based on the local authority's existing body of **local knowledge** and **robust evidence of local issues**, including an appraisal of the proposed development's compliance with local policy and guidance'.*
- *'Local authorities' **extensive knowledge** and **experience** of their local communities can help applicants to understand and most **effectively engage with communities**.'*



Cost Recovery (Coming Autumn 2024)

- We have responded to the strong call from Local Authorities for guidance around how to recover costs from developers and are preparing to publish this in autumn 2024.

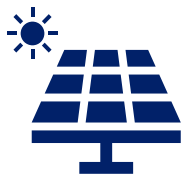
Part 3

Forward look for infrastructure delivery



Government Commitment and Need

Beyond the known pipeline, large amounts of infrastructure is needed and has been committed. Can the system cope?



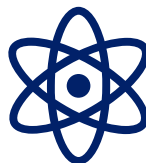
SOLAR

Ambition to have up to 70GW solar capacity by 2030. The UK currently has 14GW.



OFFSHORE WIND

Ambition for up to 50GW (including up to 5GW floating offshore wind) by 2050. The UK currently has 15GW.



HYDROGEN

Ambition for between 240 to 500TWh low carbon hydrogen supply to be created by 2050



RAIL

Government has set a target of growing rail freight by at least 75% by 2050



NUCLEAR

Ambition to achieve up to 24GW nuclear power capacity by 2050



DISTRIBUTION & TRANSMISSION

7000km of transmission network is needed by 2030, as well as 210-460km of distribution cabling needed



WATER

Need to develop 7 new reservoirs, alongside 4 new desalination schemes and 5 new water recycling schemes



ROAD

- Maintaining network performance
- supporting economic growth
- ensuring resilience in networks

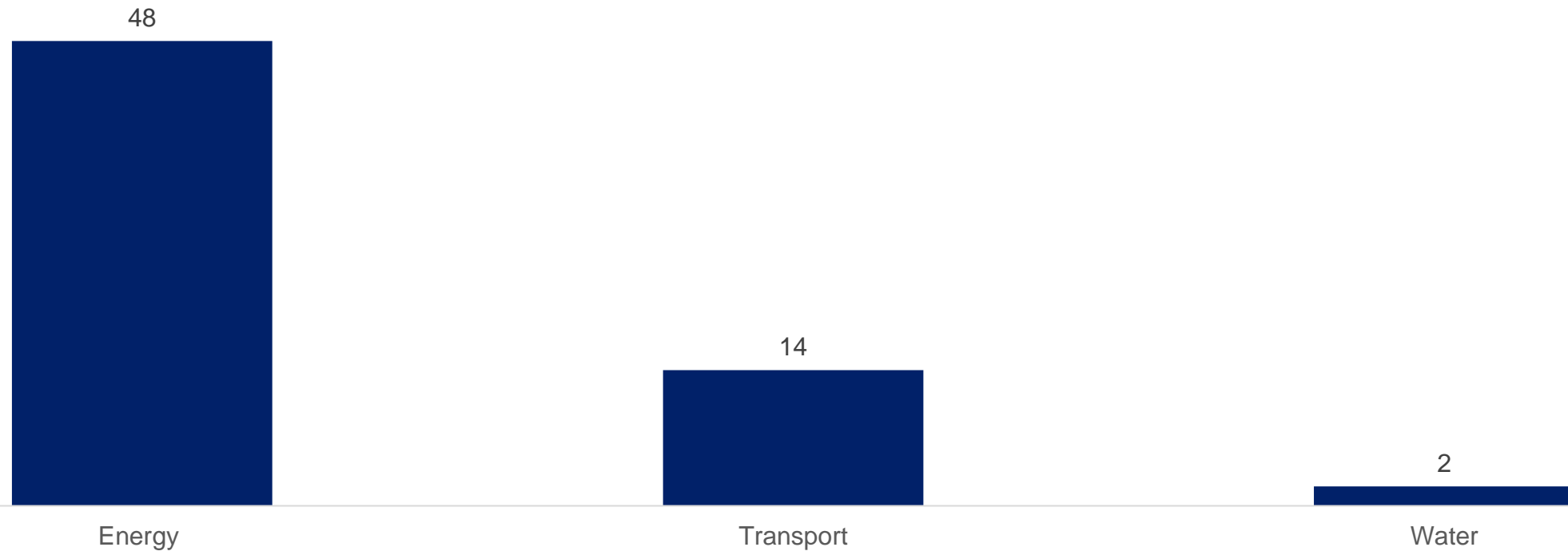


Future demands on the system

Demand on the system is only going to increase, with more energy projects currently at the pre-application stage

Number of DCO applications by sector which are currently at the pre-application stage (December 2023)

■ Number of DCO applications





Going further to improve infrastructure delivery

Where should government focus in the future?

Policy and Environment

Complex policy framework with minimal resolution of strategic issues

National Policy Statements reviewing and consolidation

Balancing the requirements of HRA with the proportionate impacts of projects

Introduction of Environmental Outcome Reports

Co-ordination

Risk of poor co-ordination within a decentralised system

We need to instil collaborative working within the system and a pipeline showing future pressure points

Improving government's understanding and coordination of end-to-end project delivery

Communities

Challenge of handling impacts of national infrastructure at the local level

Identifying and disseminating good practice in consultation and engagement

How can communities secure tangible local benefits from hosting national infrastructure

Funding & Capability and Resource

Capacity, capability and resourcing issues across the entire system

We need to ensure all parts of the system are adequately funded and resourced

The development of a long-term pipelines to inform resourcing of government agencies

Continuous improvement of services for applications

Legal Challenge

Increasing number of legal challenges emerging in a fast changing and uncertain environment

Maintaining access to justice, whilst considering whether improving existing processes could reduce delay to vitally important infrastructure

Thank you

Any questions?

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