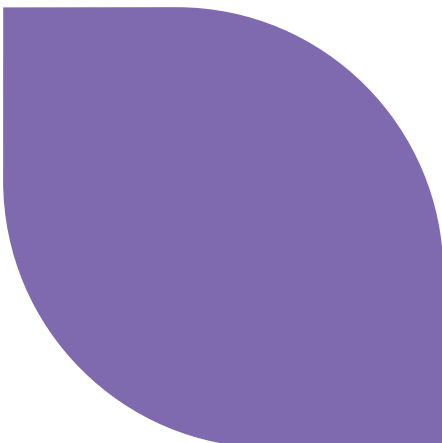




JANUARY 2026

PLANNING FOR BUSINESS AND GROWTH



British
Chambers of
Commerce
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FOREWORD

**Mike Reader MP**

Chair of APPG on
Infrastructure and
Chair of APPG on
Built Environment

The UK stands at a critical juncture where securing sustained economic growth depends fundamentally on transforming how we approach infrastructure development. For business, and for the country, securing a planning system fit for purpose is crucial.

For decades, a fragmented and reactive planning framework in England has encouraged regulatory uncertainty. That, in turn, has stifled strategic business investment and delayed the delivery of essential infrastructure, housing and commercial land required for growth. Transforming the planning system into a proactive engine for economic development is paramount to securing the nation's competitive future and accelerating the transition to a net-zero economy.

Government's recent planning reforms in England represent a positive shift toward a more pro-growth, plan-led approach. These changes are a start; however, policy intent in this area has long been severely undermined by implementation failure. This is not simply about making the current system work more efficiently; it is about reimagining planning and the way planners are trained. It needs to be used as a strategic tool for economic development that actively enables the investment and innovation our economy requires.

This report sets out clear, business-led recommendations to government on how reforming planning capacity, land supply and delivery can convert policy intent into the certainty and confidence needed to unlock long-term investment and growth.

The opportunity before us is transformational. However, government must move beyond incremental reforms toward a comprehensive transformation that positions the planning system in England as an active enabler of growth rather than an obstacle to progress.

KEY RECOMMENDATIONS TO GOVERNMENT



To meet its growth agenda

Government must go above and beyond its target of 1,400 planners. There is a national shortage of planners across England, with estimates of many thousands more required.



For businesses to grow and expand

Employment land and uses should be given equal priority to housing in planning policy and guidance. Councils should be required to maintain a five-year quality employment land supply.



To ensure the voice of business is heard

The plan-making process needs to be simplified and accelerated through the introduction of National Development Management Policies, with Local Planning Authorities consulting businesses throughout the plan-making process.



To support the shift from intent to implementation

Government must publish clear, time-bound implementation plans for each major reform, fund the transitional costs of digitisation and change management, and underwrite multi-year investment in additional staff capacity, enabling councils to strengthen development management teams without depleting plan-making resources.



To deliver on its Nationally Significant Infrastructure Projects pledge and enable growth

Government should introduce comprehensive fast-track services for priority projects that deliver on its economic growth objectives. Services should include priority timetables to accelerate decision-making and dedicated case teams to provide continuity and expertise throughout the process.



EXECUTIVE SUMMARY

Business investment thrives on certainty, yet our planning system consistently delivers the opposite.

Long-term policy clarity and regulatory stability are not merely desirable features of a well-functioning economy; they are fundamental prerequisites for sustained growth. When businesses can anticipate and plan for consistent regulatory frameworks, they invest with confidence in both major national infrastructure projects and local development initiatives. However, the recurring pattern of policy reversals, regulatory uncertainty and planning delays has created an environment where strategic investment becomes a gamble rather than a calculated business decision.

The solution requires a fundamental reimagining of how planning authorities operate and interact with the business community. Local Planning Authorities (LPAs) must be properly resourced and equipped with the expertise necessary to handle complex economic development proposals efficiently. This means:

- Investing in skilled planning professionals
- Modernising administrative systems
- Ensuring that planning departments have the capacity to respond promptly to applications while maintaining rigorous standards

A particular priority must be placed on securing an adequate land supply for business development. The current system too often fails to identify and allocate sufficient commercial and industrial sites, creating artificial scarcity that drives up costs and limits growth opportunities. A truly effective planning system would:

- Proactively identify business development needs
- Zone appropriate areas for commercial use
- Streamline the process for bringing these sites to market

This requires moving beyond a reactive approach to planning, toward a strategic model that anticipates economic development needs and prepares the ground for sustainable growth. In England, the newly passed Planning and Infrastructure Act shows welcome intent to make the process faster and clearer. But firms will only unlock long-term capital when that intent is translated into dependable delivery. What business needs is implementation. Converting policy promises into reliable day-to-day outcomes is the path to the certainty and stability that crowd in investment.

This Planning for Business and Growth report focuses primarily on the situation in England. It articulates a comprehensive vision for creating a planning system that genuinely supports business investment, promotes sustainable economic growth and generates prosperity that extends throughout society. This is not simply about making the current system work more efficiently; it is about reimagining planning as a strategic tool for economic development that actively facilitates the investments and innovations our economy requires.





PRIORITY AREAS TO DRIVE GROWTH

Build Local Planning Authority Resources

Local Planning Authority (LPA) departments across England remain severely under-resourced despite repeated government initiatives. The resourcing issue has created ongoing barriers to business growth and investment. Implementation gaps and insufficient scale mean LPAs still lack the capacity needed for effective planning and decision-making. Business supports government efforts but calls for faster implementation of delegation reforms, more digital planning resources and more capacity in planning departments to ensure local economic growth is not held back.

“The lack of funding and skilled personnel in local authorities is preventing planning reforms from having their intended impact, regardless of the reforms’ quality”

SME in Yorkshire

Plan for Employment Land

Local and strategic plans should give equal and consistent priority to land for business use, including inward investment, as they do for housing. That will ensure a continuous, viable supply of industrial, logistics, R&D and other commercial sites. National and regional planning tools should actively identify and ring-fence strategic sites for modern business needs, removing barriers where local political considerations obstruct developments of national importance. Policy and guidance should be regularly amended to guarantee sufficient employment land allocation to meet evolving market demand. Where commercial land shortages constrain growth, the planning system should enable timely green belt and grey belt reviews.

Drive Policy Implementation

The Planning and Infrastructure Act 2025 signals a welcome determination to create a more efficient system in England. However, businesses need successful implementation, not just policy intent, to justify major long-term investments that drive economic growth. To unlock investment, government must quickly deliver a sustained, well-resourced implementation strategy. Translating commitments into reliable operational outcomes will provide the policy certainty and stability businesses need.

“Policy change is welcome, but the reality is unchanged: decisions are slow and firms can’t rely on timely planning outcomes”

Small Manufacturer in the Midlands

POLICY ASKS

Council Resources

The resource crisis in Local Planning Authorities (LPAs) across England has been worsening over several decades. Policy now allows LPAs to set higher, ring-fenced planning fees, whilst a national recruitment drive from government aims to add up to 1,400 planners by the end of this Parliament. However, these measures fall short.

Additional fees and recruitment targets are insufficient to tackle the scale of the existing workforce shortages, future staffing requirements, and backlogs. The government's growth agenda alone will increase demand for planners well beyond their 1,400 mark.

The BCC Planning Skills Fund scholarship is enabling more people to access higher-level planning education to help boost capacity in LPAs, but government must do more to help.

For businesses, the practical test from policymakers is delivery and predictability. Firms need to see multi-year commitments on funding and staffing, published milestones for the roll-out of delegation and digital systems, and clear accountability for delivery. Business supports the direction of travel, but government must match rhetoric with durable funding, legal clarity and measurable delivery if reform is to unlock the investment and jobs local economies depend on.

“A lack of resources affecting both local planning authorities and statutory consultees impacts the timely delivery of planning decisions and project approvals”

Manager of Logistics Sites in the East Midlands

RECOMMENDATIONS

- To meet its target of building 1.5 million homes and satisfy its growth agenda, government must go above and beyond its target of 1,400 planners. There is a national shortage of planners across England, with estimates of many thousands more required.
- To convert the current impetus into durable improvement, government should lock in multi-year ring-fencing of fee uplifts, scale recruitment and retention measures beyond initial bursaries (including clear career pathways and CPD for planners), fund the change-management costs of digital roll-out, and ensure statutory consultees receive matching resourcing so their responses do not remain a bottleneck.
- The Planning and Infrastructure Act's delegation and strategic planning powers must be implemented with firm timetables and accompanying guidance to speed local adoption.
- A national outcomes dashboard tracking decisions, staffing levels, business satisfaction and vacant employment land would create the transparency businesses require to judge whether reforms are actually reducing delays and supporting growth.

Plan for Employment Land

Policy change is only the start: implementation and appropriate funding will determine whether reforms to the planning system create deliverable sites for businesses.

Local plan revisions, green belt and brownfield reviews and the preparation of Spatial Development Strategies (SDSs) are now underway in many places, but councils need capacity and targeted funding for remediation and infrastructure. The cost of preparing an SDS cannot be understated. Without proper funding, strategic planning will fail, jeopardising government's growth and devolution goals.

Despite the positive mood music from government, many LPAs are not yet planning proactively for the full range of employment land needs and economic development. The long standing emphasis on

housing has, in places, squeezed out space for industry, logistics and other commercial uses. The shortage of quality, commercially developable, well-located employment land continues to constrain investment, economic growth and productivity drivers. It also creates barriers to net-zero progress and undermines inward investment.

“Existing labour supply and demand models used for calculating employment land requirements in local plans underestimate business needs, leading to insufficient planning for employment land”

SME in the South West

RECOMMENDATIONS

- Employment land and uses should be given equal priority to housing in planning policy and guidance. Councils should be required to maintain a five-year quality employment land supply and identify employment sites in the right location to provide enough employment land to meet market demand.
- If it is necessary to release vacant employment land for housing, alternative quality land for business uses must be identified and released.
- To ensure SDSs are developed consistently and comprehensively across all areas before the end of this Parliament, appropriate government funding must be in place.
- The Planning Inspectorate (PINS) needs a clearer role to scrutinise the employment land component of all local plans. The Planning Inspectorate should create dedicated employment land expertise to assess and scrutinise evidence and proposals and allocate dedicated time at Examination Hearings focusing on employment land issues.
- To help secure inward investment opportunities, the Ministry of Housing, Communities & Local Government (MHCLG) should provide guidance to local planning authorities on planning for inward investment and establish a formal requirement for local plans to include additional employment land allocation to meet these needs.
- The Agent of Change principle must be upheld. Where businesses are complying with environmental standards and imperatives, their legitimate operations and growth potential must not be restricted by the needs and expectations of new residents. The rights of existing business occupants must take precedence.
- There should be stronger cross-boundary strategic planning and economic development plans to make sure these are better aligned.

Policy Implementation

Government's suite of planned reforms to the planning system are a welcome and necessary reset of a system that has often been slow, inconsistent and opaque. However, policy intent now needs to be translated into predictable, well-sequenced delivery.

Businesses, domestic or foreign owned, will not commit major long-term capital without clarity on how these reforms will operate in practice and with speed and certainty. Reforms will only deliver growth if the implementation process is properly resourced and a period of policy stability is created.

RECOMMENDATION

- Government must publish clear, time-bound implementation plans for each major reform, fund the transitional costs of digitisation and change management, and underwrite multi-year investment in additional staff capacity, enabling councils to strengthen development management teams without depleting plan-making resources.

“A distinct lack of planners in local authorities is a critical bottleneck, slowing progress on employment land and infrastructure projects”

Large Manufacturer in the South East



Speed up the Local Plan Process

Business welcomes the requirement for councils to complete Local Plan Reviews within 30 months, a reduction from the current seven-year average. Around 40% of local plans are years out of date, highlighting the urgency for reform.

However, government's push to speed up plan-making means councils will face much tighter deadlines and ongoing performance checks to keep progress moving, but speed must not come at the expense of businesses' voices. Faster, more effective plan delivery must be paired with business consultation and alignment with regional economic objectives for growth to ensure plans are economically effective.

BCC research shows 66% of businesses feel their views are taken into account 'not very much' or 'not at all' on local infrastructure decisions, rising to 81% for national infrastructure decisionsⁱ. This gap between policy and practice is more than a consultation failure; it actively stops projects from going ahead. Businesses tell us they are excluded from decisions until it is too late to influence outcomes.

Plans need to sit comfortably within wider regional economic frameworks, meaning that land allocations, infrastructure priorities and growth strategies are coordinated across borders and sectors. The disconnect between planning, infrastructure and development is evident in BCC's latest Trade Survey data on businesses' reliable, local area connections to utilities and transport.

Net agreement on reliable, local area connections to:

- Energy Supply (73%)
- Broadband (69%)
- Roads (66%)
- Mobile Coverage (58%)
- Trains (55%)
- Public Transport (29%)

"Businesses have not yet seen tangible benefits from recent policy reforms, with ongoing frustrations around slow processes, lack of certainty and the need for clear, long-term action from government"

Small Business in West Yorkshire

RECOMMENDATION

- The plan-making process needs to be simplified and accelerated through the introduction of National Development Management Policies, with Local Planning Authorities consulting businesses throughout the plan-making process. Business supports the reintroduction of strategic, cross-boundary planning (Spatial Development Strategies); however, they must be properly resourced.

ⁱ British Chambers of Commerce (2019), Infrastructure Survey

Viability of Development and Developer Contributions

Local Planning Authorities (LPAs) must ensure that the totality of planning obligations required on a scheme do not make development unviable. While policy ambition for affordable housing and infrastructure remains essential, obligations and levies should not undermine the ability of schemes to proceed.

RECOMMENDATION

- National guidance must require a standard approach to viability assessment across LPAs; mandate transparent publication of viability assumptions (subject to reasonable commercial redaction); and enable pragmatic mechanisms where necessary to balance deliverability and planning objectives.

Strategic Planning through Devolution

The current system of Local Plans has demonstrated that there is an urgent need for wider regional strategic planning on issues that cut across existing administrative boundaries. This would help provide the framework for planning on crucial infrastructure and transport investment.

The English Devolution and Community Empowerment Bill provides an opportunity to achieve this aim through Combined Mayoral Authorities if they are given the relevant powers.

RECOMMENDATION

- Once the English Devolution and Community Empowerment Bill becomes law, the government should work at speed to implement its provisions. The legislation will help extend the devolution of powers to ensure that decisions on local infrastructure, transport and economic development are made at the level best placed to understand local needs. This must be matched by adequate and sustainable funding to ensure that local and regional authorities have the capacity and resources to deliver long-term growth, improve connectivity and support vibrant local economies. Transitioning to Strategic Authorities and Spatial Development Strategy (SDS) preparation will require skilled planners and funding.





Planning for Infrastructure

The document 'UK Infrastructure: A 10 Year Strategy', published in June 2025, outlines the government's plan for improving the country's infrastructure. The strategy recognises that well-planned infrastructure investment has the power to create long-term growth by boosting productivity, creating jobs and homes, improving public services and strengthening the economy against future challenges.

To unlock this growth potential, the planning system must be refocused on delivering Nationally Significant Infrastructure Projects (NSIPs) and essential networks at pace. Streamlined processes and greater certainty are essential to catalyse private sector investment.

RECOMMENDATIONS

- Ministers should use the 'Confirmatory bill' process for Development Consent Orders (DCOs) on critical national priority projects. This process would allow applicants to request parliamentary confirmation of their DCO through a single-clause bill. This would apply to projects designated as critical national priorities in the relevant National Policy Statement, and the request would need to be made before the DCO is granted.
- A streamlined approach to consents (repealing Section 150 of the Planning Act 2008). This change would empower the Secretary of State (SoS), when making a Development Consent Order (DCO), to determine the extent to which it is necessary and appropriate for the Order to remove the requirement for specified consents or authorisations. This replaces the current process where the relevant person or body must grant such consents before the Order is made.
- Government should consider using Process Modification Powers. These powers would grant the Secretary of State (SoS) the authority to issue directions modifying processes related to Development Consent Order (DCO) applications. They would also enable both the SoS and an examining authority to give directions concerning the examination of a DCO application. When exercised, these powers would streamline the pre-application, pre-examination and examination stages, ensuring that applicants, statutory bodies, and other participants conduct themselves in a way that supports an effective and efficient examination.
- Government should introduce comprehensive fast-track services for priority projects that deliver on its economic growth objectives. Services should include priority timetables to accelerate decision-making, dedicated case teams to provide continuity and expertise throughout the process, and pre-agreed evidence scoping to ensure all necessary information is identified upfront.
- To achieve better collective oversight and coordination across public bodies, government should consider more structured and collaborative pre-application support models. These would bring environmental and planning regulators together at an early stage to provide consistent, joined-up advice to applicants. The opportunity for fast-track services across public bodies should be explored, though any new processes must learn from the shortcomings of existing arrangements and incorporate the suggested areas of improvement to avoid replicating current inefficiencies.
- Government should encourage acceleration of the examination and decision processes by introducing a requirement for the Examining Authority to update the principal issues under examination at fixed stages throughout the process. Consideration should be given to how the Secretary of State can be more actively involved in overseeing the pre-examination and examination stages. That would ensure that emerging issues are identified and addressed promptly so that more determinations are made within statutory timescales.

Infrastructure Levy

Government must ensure that the forthcoming secondary legislation for the Infrastructure Levy delivers on the promised simplicity, transparency and essential viability safeguards. Delivering on that will help prevent brownfield regeneration and inner-city development from being deterred.

Business is keen to see the current Section 106/Community Infrastructure Levy negotiations replaced with a single, clear levy to capture land value uplift. To achieve that aim government must confirm that the regulations mandate the use of differential rates or exemptions for brownfield land with high remediation costs. The system must also allow for local fine-tuning, to protect marginal projects, thereby making good on the government's 'test and learn' commitment.

RECOMMENDATION

- Infrastructure Levy reforms must provide immediate clarity and confidence to the market by explicitly ring-fencing all collected funds for local infrastructure and affordable housing. That would ensure the levy is seen as a simple, fair and reliable driver of community benefit and sustainable development

Deliver on NSIPs pledge and Address the Skilled Workforce Shortage

Government has pledged to make planning decisions on at least 150 Nationally Significant Infrastructure Projects (NSIPs) during this Parliament. Delays in these decisions significantly hamper growth.

As populations grow, demand for housing, utilities and transport rises. NSIPs ensure that infrastructure is developed to meet these needs, preventing congestion and resource shortages while simultaneously generating thousands of jobs during construction and operation. This dual benefit upskills the workforce, boosting both employment and productivity as critical infrastructure expands to serve growing communities.

However, delivering infrastructure projects requires a skilled workforce, yet current labour market gaps threaten both new developments and existing services. Results from BCC's 2025 Workforce Survey show that 67% of businesses face skills shortages, rising up to 79% in manufacturing, with engineering, construction and skill trades most critically affected. Solving the ongoing skills crisis is complex; however, Local Skills Improvement Plans across England are already making a difference. These initiatives are crucial to matching local skills provision with business needs. A long-term funding commitment from government is urgently needed.

RECOMMENDATIONS

- Government must meet its pledge to decide on at least 150 NSIPs during this Parliament.
- The powers provided by the Planning and Infrastructure Act must be implemented quickly to deliver NSIPs, quickening up assessment and approval time.
- Confirm long-term funding for LSIPs led by Employer Representative Bodies (ERBs) in joint ownership with local authorities.

Streamline Environmental Assessment Regime

It's crucial that the planning system in England promotes economic growth but also protects the natural environment. Government must streamline environmental mitigation processes while maintaining robust protection measures. Establishing initiatives such as the Nature Restoration Fund will help create a more strategic framework replacing the current fragmented, project-by-project approach.

Reforms should maintain or enhance environmental outcomes while eliminating unnecessary bureaucracy. Current regulatory frameworks prescribe rigid, detailed procedures that create substantial administrative burden without guaranteeing optimal ecological results.

Instead, regulations should establish clear, measurable environmental targets, such as quantified improvements in water quality, biodiversity net gain, or emissions reductions. Developers should be empowered with the flexibility to achieve these goals through the most efficient and effective methods. This outcome-focused approach prioritises environmental performance over procedural compliance, encouraging innovation while ensuring accountability through transparent, verifiable metrics.

RECOMMENDATIONS

- Government must uphold the ability to limit the number of judicial challenges on major projects to one legal challenge for cases 'without merit' to speed implementation of consents while not removing the ability to challenge outright. Judicial review has all too often been a tool for a tiny minority to stand in the way of the interests of the many, even when extensive consultation has taken place.
- Policies on protecting sites and species must remain. Streamlining must not equate to abandoning environmental standards.

Appeals and Challenge System

Businesses and developers must be able to appeal to the Planning Inspectorate (PINS) if they receive an adverse decision from a council.

Government must try to improve first-instance decision-making so that fewer appeals are necessary. By making local decisions more consistent and evidence-based, the number of contentious refusals should drop, which means businesses won't have to go through lengthy appeals to get a yes.

“To improve the planning system, government must increase the number of planning officers, incentivise young people to enter the sector, support major regional projects and leverage automation and AI”

Developer of Industrial Spaces in the South West

RECOMMENDATION

- Acknowledging backlogs, government should allocate additional resources to the Planning Inspectorate. Hiring more inspectors and examiners would ensure that when appeals do occur, they are processed faster.



CALL TO ACTION

The British Chambers of Commerce Planning Skills Fund

Britain's economic growth is constrained by an inefficient and unresponsive planning system. Whilst multiple factors contribute to this challenge, a critical issue is the insufficient number of qualified planners employed by local planning authorities.

This deficiency presents significant obstacles for businesses, increasing operational costs and deterring investment. The economic implications are substantial: reforms to the planning system could unlock approximately £70bn in economic value for the UK economy.

Without intervention, the planning crisis will intensify. Each delayed project represents foregone investment, employment opportunities and economic potential. The cumulative cost of inaction affects the entire nation.

The BCC Planning Skills Fund, supported by Aviva, seeks to address the planning capacity deficit through the mobilisation of private sector capital to finance the training and professional development of planning officers. This initiative will provide essential support towards enhancing planning expertise and operational capacity within local planning authorities across the UK.

The 5-year programme is:

- Funding up to 100 students through planning qualifications, administered by the Royal Town Planning Institute and,
- Upskilling existing planning professionals

This represents a substantive private sector intervention, complementing existing government programmes to strengthen the planning system's institutional capabilities.

Already, the fund is having an impact:

- The first students started their courses in September 2025
- Up to 22 universities are delivering across the UK
- Every £15,000 funds one student to get a qualification and employability skills

The fund is seeking donations from businesses of all sizes, sectors and UK regions. Regardless of contribution size, greater collective business investment will enable the fund to train more planning professionals, thereby accelerating planning system efficiency and unlocking economic growth.

The BCC Planning Skills Fund is managed by the British Chambers of Commerce as a donor advised fund, administered by Charities Trust under charity registration number 327489.

Call to Action

If you want to find out more about the Planning Skills Fund, please contact:

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