

Response to the Barker Review of Land Use Planning

Kate Barker is seeking views on the invite from the Chancellor and the Deputy Prime Minister to conduct an independent review of land use planning in England.

As part of the review Barker has requested comments from planners in responding to a series of questions.

The Q&As are provided below.

1. Is the planning system sufficiently flexible and/or responsive to the right signals to deliver the right development in the right place, given the changing economic circumstances due to globalisation, demographic change, natural resource pressures and environmental change? If not, what policy measures might help deliver this flexibility?

In summary the planning system can be flexible enough to respond to changing economic circumstances, taking account of the importance of protecting the environment and safeguarding democratic processes – involving consultations with all with a legitimate interest. The process, whether plan-making or the determination of planning applications, has been capable of fast-tracking decisions with sufficient speed so as to not hinder delivery or market interests.

Development plans provide the framework for meeting short to medium term demands in the context of broader strategy for the longer term. (In fact there would be a good case for having development plans with longer timescales than at present to ensure that current investment decisions are consistent with opportunities for future growth.) The framework allows for quick reviews and can respond to changing trends. It is also possible to accommodate specific development proposals that do not conform to adopted policies but which are deemed, on balance, to bring overall benefits in relation to agreed objectives (ie whether economic, social or environmental).

The planning system, is critical to delivery, and does not inherently create problems of responsiveness. Such problems often result from the need to resolve conflicting interests, including expectations about the return on investment by landowners, developers and investors which may encourage challenges to the planning system rather than progress towards delivery. Landowners and developers may challenge plan allocations where their interests are not favoured and may dispute planning details and obligations where they do have favourable allocations. The thrust of these challenges may not coincide with the public interest in securing the best use of land and creating sustainable communities with adequate facilities and services. Our favoured approach is to create mechanisms for joint collaborative working between all interests such as the local delivery vehicles. The local example is Cambridgeshire Horizons, a limited liability partnership that is helping to deliver new sustainable communities in the Cambridge Sub-Region.

This Council has also been involved in the promotion of flexible implementation polices through its participation in the preparation of the RSS for the East of

England. The emerging key responsive policy in the RSS is IMP2, as promoted by the East of England Assembly, which, it is hoped, will survive the draft modifications currently being prepared by the RSS EiP Panel. IMP2 provides the framework to the “plan, monitor, manage” approach to plan effectiveness and review, with mechanisms to moderate or accelerate development as appropriate.

2. Do you have any views on the scope of plans at the different spatial levels in England which are now emerging following the introduction of the new system in 2004? Are there further improvements to the plan-making process at the different spatial levels in England, particularly regarding the need to encourage a positive/proactive approach to planning, which was a key theme of the new plan-making system? Does the current system strike the right balance between central direction and regional and local discretion?

The “gap” between the RSS level of planning and LDFs is considerable, in terms of public perception and policy cascading. There is a need for a strong sub-regional planning level, that the public better understands, to ensure the requirements of the RSS (and Regional Economic Strategy) are “converted” to realistic proposals at the local level. A sub-regional structure is also required to ensure that the information “building blocks” are consistently identified and efficiently monitored, so that all districts and unitary authorities collectively deliver the RSS. For example, there are 48 districts/unitaries covered by the East of England RSS, which cannot individually respond to emerging sub-regional issues.

In addition, the loss of a county tier (in statutory planning) will result in some duplication of effort, whereby districts and unitaries might carry out assessments of impacts of their local planning proposals on strategic factors, such as highways or flooding.

Experience this time around has shown that in the East of England Region the Regional Economic Strategy was prepared on a different timescale to the RSS. Attempts to combine to two strategies led to difficulties because they had been prepared with different forecasting assumptions. Lesson would seem to be that there should be an agreed vision for the region covering all aspects of growth – not one element leading the others.

It is obvious that a key requirement for any development plan is delivery. Although national guidance makes a great play of a proactive planning system, the requirement for an implementation plan is only stipulated at the Regional level. The difficulty with such plans is the need for key stakeholders e.g. Government agencies to “sign up” to the requirements of the plan. The Government has previously rejected a call to impose a duty on public bodies to cooperate in the implementation of the RSS as being overly onerous. Currently there is no published guidance on how such plans should be prepared other than that set out in paragraph 3.2 of PPS 11. There is however guidance prepared by the DfT regarding the need an implementation framework for transport schemes but this is based on

the superseded guidance in PPG 11. There is a danger that transport infrastructure could be considered separately to the other infrastructure required in a region or sub region. The delivery of such plans is therefore hindered by there being no current guidance on their preparation and the need for clear ownership of such plans by key stakeholders.

There is moreover no requirement at all for implementation plans at the LDF level. The relationship of LPAs to the preparation of both regional and sub regional implementation plans should be clarified. In addition there are number of local initiatives at the sub regional level which overlap with such plans and there is a need to avoid duplication of work/resources.

It is recommended that planning at the sub-regional level could be strengthened by RSSs being able to include the requirement for preparation of joint Development Plan Documents were there are issues of sub-regional importance.

Whilst the aims of moving from local plans to local development documents was well intended, the reality appears to be of a system that is more complex, more fragmented (ie in document production) and, anecdotally, less well understood by the public (it is hoped that in the face of limited staff resources and pressures of work that LPAs provide evidence of their experiences over the last 1-2 years).

3. Sustainable development is the core principle underpinning planning. Does the current system achieve the right balance between economic and other goals, such as the regeneration of areas and the promotion of social cohesion, improving the quality of design of buildings and urban environments, and the protection and enhancement of our natural and historic environment? Are some environmental, natural resource, or social considerations given too much or too little weight?

Support for the environment and for the economy are not alternative objectives, as implied by the question, but are a part of the same issue. We will not be able to enjoy the fruits of economic success if we destroy the environment in the process. The economy will not be sustainable in the long term unless it moves towards a low carbon future, tackling the threat of climate change at source. Only by integrating social, economic and environmental planning mechanisms to pursue joint goals, will we be able to maximize the benefits of economic growth.

A key issue is how to establish an agreed definition of sustainability and its principles. This is necessary in order to provide appropriate measures or targets and to achieve the right synthesis of economic and other goals. There is a real danger that measurable economic criteria such as jobs, houses and similar outputs will override equally important environmental or social considerations which are more difficult to express in “bottom line” figures.

It should be recognized that the environment supports society in three ways, by providing:

- **An ecosystem which supports healthy life – clean air, land and water, a stable climate**
- **Resources to sustain human activity (crops, minerals, fisheries etc)**
- **Pleasant surroundings to satisfy aesthetic, cultural, recreational spiritual etc needs**

Such qualities are fundamental to promoting the highest quality of life that add to the economic “pull” or attractiveness of an area. So in the case of Cambridgeshire, the quality of the environment is part of the region’s competitive advantage. The planning system has the potential to ensure that new development fully supports a sustainable future.

There are increasing concerns, however, that protection of designated areas is being over-ridden on economic development grounds e.g. the recent decision on port expansion at Bathside Bay. Perhaps the most striking example of the failure to recognize the importance of an environmentally sustainable future is the continued promotion of airport expansion by the government, with little regard for its localized impacts and more importantly the effect of soaring air transport emissions on climate change.

The powers of planning authorities are often restricted in relation to sustainable development. For example it is only recently that planning authorities have been able to require new developments to incorporate renewable energy.

Moreover, the planning system is not always well equipped to take account of the cumulative impacts of development, or of factors affecting the eco-system or the protection of natural resources. Better tools are needed to assess these matters.

4. What, if anything, could the English planning system learn from the planning and consent systems operated in other countries in order to respond to this new economic environment?

In some respects this question is “loaded” in referring to the new economic environment as some over-arching and dominant factor whereas the key is promoting long-term sustainable economic development – as covered in Q. 3 above. A review of best practice beyond England should look to “search out” examples that emphasise this fundamental requirement including requirements for renewable energy, sustainable travel etc.

5. What is the impact of planning on encouraging or impeding business investment? In this context, how would you assess the potential of recent reforms to the English planning

system, which are now being implemented? Are they increasing the transparency of the system and providing greater certainty for businesses? What further reforms, if any, are desirable in order to improve the transparency and effectiveness of the system still further?

The recent revisions to the planning system started out with the intention of streamlining the system and making it less cumbersome than the previous regime. However, even with only limited experience it must be doubted whether the system achieves either – an example being the complexity of stages and variety of submissions associated with LDFs.

The overall system is more bureaucratic than was anticipated and to avoid planning bottlenecks it would be better if businesses were encouraged to work more closely with communities on their future aspirations. Nevertheless, it is doubtful if the planning system is an impediment to small or medium scale business investment including most high technology and research and development activity. Generally, there is sufficient land allocated for many years ahead whilst employment growth is only partly dependent on the availability of allocated employment sites. For larger developments, it is true that there are requirements for extensive consultations, EIAs etc, and in theory the protracted timescales might mean potential leads in global product development are impeded.

However, large-scale investments by definition need to be sustainable in the longer-term economic climate. It is doubtful if there is any convincing evidence that planning issues in the short term have been a major curb on large-scale inward investment (compared to the other myriad factors that influence locational choice in favour of the developing world).

The planning system does make it much clearer to business where the most suitable locations are likely to be in terms transport and access to workers and/or customers. In the Cambridgeshire sub-region, there is some selective management of employment land to ensure opportunities in the high technology and research sectors are maximised and are not crowded out by footloose developments, which do not need to be in the Cambridge area. ,

6. Is the planning system sufficiently “joined-up” with other related aspects of government policy? In particular, are Regional Economic Strategies delivering a clear economic framework to help inform Regional Spatial Strategies? Is there sufficient interaction between RDAs and RSSs when preparing their respective regional strategies and if not how might greater interaction be encouraged?

Linkages should be improved, particularly to give the RES a more explicitly spatial expression with firmer priorities for investment. Both strategic frameworks should dovetail. As such key monitoring should link and feed to both frameworks – achieving compatibility and resource efficiency.

At the same time, within the East of England there have been clear differences emerging between the aspirations or expectations of central government and those of the regional assembly, to the extent that the regional body, EERA, suspended endorsement of its own RSS. There are moves towards improved regional governance in the East of England but no sign so far that these arrangements have any real teeth.

The crux of the problem is the lack of “joined up” thinking and understanding of planning by central government and what is needed to enable local authorities and the private sector to deliver on the ground. The system requires central government to be responsive and, where necessary, to ensure delivery through securing or underwriting funding and/or integrating its own various national policy actions. Integration between land use and transport is particularly vital to the achievement of economic goals where the links, and the importance to economic performance, have not been clearly recognised by central government.

7. Planning applications for major projects will typically take a considerable time to work through all the necessary stages. Do you consider the system puts too much emphasis on speed or do you feel that is too slow? If there is an undue emphasis on speed, what are the negative consequences of this and how could they best be avoided? If the process is too slow, what could be done to overcome delays? In particular, what improvements might be made to the planning appeal system to improve its speed and efficiency?

Planning applications for major projects require bringing together a wide range of interests and issues, not all of which will be compatible or capable of resolution. Decision-making under such circumstances must also respond to the democratic process, all of which will make it difficult to streamline the process. However, to attempt to re-invent the system in an attempt to circumvent these processes would alienate those with a legitimate interest in planning decisions, which would be counter-productive.

The time spent on public consultation should not be viewed as unnecessary delay to the process. It informs the public of development as it affects them, and provides an opportunity for unforeseen consequences of the development to emerge. Ultimately it more often results in a development that is more acceptable to the community at large, and also in some cases opens up new opportunities for the developer. Applicants value a positive outcome and general acceptance of their proposals rather than speed of decision (if it goes against them).

There is therefore a need to strike a balance between timely decision-making and securing a high standard of sustainable development, particularly given the ever-increasing list of requirements being placed upon LPAs in determining development proposals. It has been suggested that the process in determining major planning applications could be more project management oriented, allowing negotiations beyond the statutory period without penalty to LPA performance measurements.

Finally, it would be wholly wrong to assume that “delay” is primarily due to the local authority. The fact is that developers themselves are often the authors of delay as the result of land assembly issues, changes in market conditions and changes in their commercial circumstances. They may have little immediate interest in the development but rather may be seeking to enhance their asset base. They may use this available time in challenging the planning system, often repeatedly, at all stages - from RSS and LDF plan preparation to outline and reserved matter planning application decisions. All delays however will be attributed to the local planning authority.

8. Is there evidence to suggest that the direct costs of making a planning application are deterring investment? Are there any unnecessary burdens/how might information requirements be streamlined to reduce the regulatory burden from the process of making an application?

There is no evidence from this Council’s experience (and in jointly working with the local planning authorities) that the direct costs associated with making a planning application are deterring serious investors. It would be helpful if there were greater awareness of the information requirements needed to support planning applications, to avoid delays and increase efficiency of handling and processing the application expeditiously, to the benefit of applicant and authority alike.

9. To what extent are high occupation costs in England likely to be due to planning constraints, or due to other factors such as imperfect competition or lack of transparency in the land market? What is the economic impact of these costs in terms of the main drivers of productivity?

There is little evidence to suggest that high occupation costs are linked to planning constraints to any great extent. The Government’s own research has shown that a doubling in housing land supply would have a minimal impact on house prices. In some parts of the country (East and South East) the potential demand from in-migrants moving from even more costly London means that land prices are likely to stay very high, even if more land was released.

Land supply is rightly affected by environmental and other planning constraints and it must become a matter for society as a whole as to the value it places on environmental protection policies, as against economic and social needs where these might conflict. But equally the capacity of the construction industry and the availability of supporting infrastructure may be the overriding constraint.

Cambridgeshire County Council places the highest values on protecting the environment. Nevertheless we have adopted and are implementing an ambitious strategy to develop 58,100 homes over 20 years, including a new town and major urban extensions into the Green Belt on the edge of Cambridge. These new communities will include substantial opportunities for business development and

further growth in research and development activity. It remains to be seen if the development industry can rise to the challenge. In the Cambridge Sub-Region it will be necessary to raise delivery from 2,000 homes per annum to more than 3,000 homes per annum to meet the requirements of the development strategy.

10. How does the planning system impact on competition, through influencing barriers to entry and exit and economies or scale? If there are areas where there is a negative impact, how can these be addressed, while protecting other goals of the planning system?

The relationship between the planning system and competition is complex. Land is a finite resource whose use may be further circumscribed by development plans. However, competition for land is as much influenced by location in relation to urban populations, transport systems and market opportunities as by absolute supply. By providing some certainty about the future structure of urban area and its infrastructure systems, planning helps to provide a less risk-prone framework within which informed competition can occur. It could be counter-productive to over-supply development opportunities in the interests of competition as this may lead to an increase in business failure and an inefficient scattergun approach to investment in infrastructure such as transport, schools and services.

In the past local authorities and the public sector owned large stretches of land which could be used for affordable social rented housing as well as low market cost housing. This provided a very valuable antidote to high land price inflation in the private market. Government grant and borrowing approvals covered much of the cost of infrastructure for services such as schools, health, and public services. Very little public land of this sort now exists.

The planning system now encourages development of very small sites which are below the threshold for S106 contributions and for provision of affordable housing. Only LAs with new LDFs have begun to address this anomaly, and impose S106 conditions on developments of 2 or more properties. The difficulty of retaining new affordable homes in rural areas ('exception' sites) for local people is another issue. Landowners will not release 'cheap' land for housing schemes if there are no restrictions on "staircasing" (for LCHO dwellings) or right-to-buy on social rented homes. It would be useful to extend the principle of 'exception' sites for affordable housing to much larger settlements where land is very scarce/expensive.

11. To what extent does the planning system effectively support innovation through fostering the formation of business clusters and wider agglomeration of economic activity?

The planning system can encourage business clusters through appropriate policies and land use allocations. The Cambridgeshire and Peterborough Structure Plan (2003) includes a policy of selective management of employment development to foster high-tech industry whilst the East of England Plan includes policies to promote high-tech clusters in the Cambridge Sub-Region as well as a similar policy

for LDDs across the region to identify clusters. One reason for doing so is to ensure that appropriate sites and locations are not lost to other employment uses which could more reasonably be located elsewhere. Such guidance can also assist other agencies then engaged in delivery, such as Cambridgeshire Horizons (the local delivery vehicle) in the case of Cambridgeshire or EEDA across the East of England.

12. Do planning authorities have the skills and resources required to help promote sustainable economic development? If not, what is the best way to ensure that resources match the challenges the system faces? Are there ways to increase further efficiency of process?

Planning authorities can draw on the expertise of economic development specialists – their own, through RDAs, business partnerships. LPAs can also jointly commission work to provide perspectives that cross LPA boundaries. However, smaller LPAs will struggle to resource the promotion of economic development. A more effective and efficient level of operation will be the regional or county level, along with cities, unitary authorities and larger towns. In having economic development units and expertise, including continuous networking with the relevant agencies (such as EEDA) such authorities are well placed to sense local changes and opportunities, provide some resource support, and directly engage in the political processes to help deliver sustainable development.

Whilst LPAs and planners need to be able to engage with the private and business sectors, in understanding the investment processes and “language”, the same can be said of the business community in its appreciation and understanding of the plan-making and planning application processes. This must be a two-way and transparent process and government may have a part to play in fostering linkages and education. It is recognised that the demands of business often make it difficult for business leaders to engage in the planning process and it would be useful to explore and disseminate best practice in that regard. In Cambridgeshire, the Greater Cambridge Partnership offers a good example of business, local authorities and other stakeholders working to a joint agenda.

The development and business sectors should also be more pro-active in adopting business solutions that promote sustainable development from the start, rather than simply relying on and responding (later in the day) to the requirements of the planning authorities.

13. Are the new arrangements for stakeholder engagement in the plan-making process succeeding in engaging those representing economic interests, including SMEs? If not, what are the barriers to that engagement and how might they be addressed?

It is difficult to comment given the arrangements are new. It would be hoped that the front-loading of LDFs encourages earlier engagement with business interests as part of the process, although, as commented elsewhere, there remains a danger of the LDF process itself becoming complex and protracted.

14. Are there ways that the incentive structure for decision-makers and local communities can be improved so that a balance is achieved between local interests and the interests of the wider community regarding proposals for economic development?

It is not clear what is meant by the balance between local and wider community interests. Local decisions should always weigh up the local impacts in relation to local and wider benefits. The opposition to development from within a community, local or wider, more often relates to the strains and pressures the development places on the environment and infrastructure – traffic, amenities, use of water etc. The provision of essential infrastructure usually lags way behind the rate of development. Acceptability depends on addressing such strains by the timely provision of commensurate infrastructure and enhancement of the environment. To-date this has relied on Section 106 obligations which have funded those more local requirements easily identified as required to serve the particular development. However there has been little success in securing from developer funding larger strategic infrastructure schemes, required to serve growth over a larger area, involving a number of major developments. The 106 obligation framework was not conceived to address this issue.

The PGS approach subjected to recent consultation raise more questions and concerns about applicability and practicality than providing confidence in filling the 106 obligation funding gap.

15. Economic development can help achieve the regeneration and renaissance of urban and rural areas. Are there ways which planning could strengthen economic performance in regions, sub-regions (including city regions) and at the local level?

Planning steers development to the right places in a co-ordinated manner and in doing so is a major factor in assisting economic regeneration and urban renaissance. This will often require planning over a wider labour market than a single district – which might therefore require joint LDFs and an overseeing roll for a level of planning higher than district and more focussed than the RSS area.

Providing the most sustainable conditions for the creation of jobs and growth is fundamental to the process. However, after doing that, it remains the responsibility of economic investors and other intervention mechanisms (public or private) to realise the opportunities so created. This will include those responsible for delivering the essential infrastructure. Planning currently has relatively few interventionist responsibilities and resources although this does not mean it could not have more (ie witness the old new town development corporations). However, to shift in this direction would require a rethink by central government.

