



Housing Corporation response to the Barker Review of Land Use Planning March 2006

Introduction

The Housing Corporation welcomes the results of the Government's recent changes to the direction of the land use planning system. In particular, we support the emphasis on sustainable development throughout the system and the emphasis on a clear, coherent and publicly accountable plan led system.

However, not all of the past changes to the planning system have produced the positive results that have been expected. Often, this is not due to any deficiency in the guidance itself, but to local interpretations and to the constrained abilities of planning authorities to deliver the Government's objectives.

There are a number of factors that will help ensure that the planning system delivers outcomes in the way the Government expects. These include better trained planners, more planners with specific skills, and effective practice guidance.

The terms of reference of the Barker Review provide an opportunity to gauge how well the current set of changes has bedded in, although there may be some issues with timing, because the Review's period of work will overlap with the bedding in period for the Government's changes.

We accept that a previous review has already looked at housing supply and that this should not be a primary focus of the current review. However, economic growth is underpinned by an adequate supply of the right housing in the right place. We need the planning system to address both the right number of houses to supply as well as the type, size and design of housing that is needed in different market and sub-market areas. Just as crucial, is how the planning system is used to put infrastructure in place. This is not just the site related infrastructure, but also infrastructure across regions and sub regions that is important to achieving sustainable development.

Planning as a core component of the local authority strategic housing role

The Housing Corporation would like to use this opportunity to reiterate the critical role of local authorities in the planning process. We are currently working with

the Local Government Association in developing a joint protocol on the local government strategic housing role. An important component of this is the centrality of planning within this role.

The Housing Corporation notes the important work taking place on this within the Local Government White Paper, and in particular the important opportunity this provides on two levels. First, it enables Government to integrate the importance it places on the strategic housing role within the context of a wider review of local government funding and structures. This will help send a clear message to local authorities about the prominent role that housing strategy can and should play in their remit. Second, it provides an early opportunity to signal Government thinking about the core elements that could be included in a strategic housing role. A core component of the local authority role is working with partners to ensure that supply better meets demand – not just at the level of regional plans, but also in local markets.

The effective use of local authorities land assets is critical to the delivery of affordable housing, as is consistent and optimal use of planning powers. However, at present, planning for housing provision is not carried out fully by either housing or planning functions in local authorities. Accordingly, as core components of a strategic housing role, the Corporation has suggested that local authorities should:

- ensure that the planning service supports and prioritises the provision of sufficient new build scheme opportunities for affordable housing against local plan targets;
- work in partnership with other agencies such as the Housing Corporation in the selection of partners for grant-aided development;
- operate optimal section 106 policies in respect of affordable housing;
- make the best use of land assets in delivering more affordable housing; and
- undertake long-term planning of affordable housing supply to ensure a planned throughput of projects and reliable delivery against those plans.

Specific Points in response to the Barker Review

The Housing Corporation has comments on a number of the specific questions in the Annex:

1. and 2. The planning system should already be flexible and responsive enough to deliver the right development to address demographic change as the trends here are well publicised and well known. However, it remains to be seen how the planning system is able to react to the socio-economic drivers of housing markets and the aspirations that underpin these. Evidence from the impact of the new style housing market assessments may enhance the old needs assessments through the

planning system. It is important that these issues are addressed at a sub regional level. It is vital that the planning changes provide a structure that is able to bridge the gap between regions and local authority areas, while at the same time encouraging a cross authority view where this meets market circumstances.

The way that the new planning system is set up, particularly at local level, brings together a number of related documents that are intended to give an overview of the requirements of a particular area. It is not just the juxtaposition of these documents that is important, but their inter-relationship too. The planning function is essentially about giving direction to a range of interlocking objectives and it would be useful if the Review was able to locate and map these and provide guidance of the sort of systems and synergies that need to be accounted for to achieve truly sustainable development.

3. There is a particular concern about addressing the need for affordable housing in National Parks where planning authorities sometimes appear to place considerably more emphasis on their conservation priorities than on their socio-economic duty. The Corporation and the Countryside Agency are about to release a report on housing in the English National Parks that we would be pleased to make available to the review team.

5. Planning has a huge impact on encouraging or impeding investment in the housing business, but it is too early to say whether recent reforms have had a positive impact. The most sensible way to obtain certainty is to have a robust and comprehensive initial plan. This allows as many issues as possible to be sorted out before application. It also creates a more holistic approach with key issues for individual decisions able to be assessed against whether they support the overall plans' objectives. Although this seems a straightforward an issue on paper, it has become somewhat of a Holy Grail of planning.

6. More generally, one approach would be to return to the objectives of the planning system and the outcomes that it is intended to achieve. All of the considerations mentioned, and perhaps others, need to be within the remit of the planning system, but the relative weights attached to each will differ from place to place. A growth area will for example require different mix of planning policies to a regeneration area, but what is really needed are some mechanisms through which planners can consider their strategies.

7. In some cases, we feel that the planning system moves too slowly. We have often said that development might be achieved more speedily, if there were more sensible discussions between the parties to a planning application at an early stage. We have an interest in assessing the

viability of development sites, particularly where Social Housing Grant is deployed alongside affordable housing planning contributions. The Corporation has begun to use a residual value model to assess the economics of any given site and we are pleased that ODPM is encouraging planners to use such models, as we believe they clearly identify the additionality achieved by SHG and assist clearer, more speedily arrived at planning decisions.

8. Developers often say that if they have to go to appeal, they need to weigh the impact of the cost of the appeal against their profit margins.

12. There is evidence that the task that planners are required to do can place intolerable burdens on planning authorities, particularly small ones. In planning for housing this is an area that the Government has already discussed in consultation on the drafts of Planning Policy Guidance 3. Recent work by the Audit Commission and others has also drawn attention to the training deficit faced by planning officers. Many of the responses to this situation seemed sensible, including encouraging more planning graduates, involving private sector consultants and pooling resources between authorities. We have explored with ODPM the possibility of developing learning networks where planning officers can top up their knowledge and discuss issues with colleagues.

14. This is a difficult area, because the wider community often does not get engaged until it perceives a direct and particular threat to an individual interest. We may learn some lessons from the planning for real exercises or from the experience of consultation with local people on specific projects, such as estate renewal schemes. While getting community interest in broader initiatives has proved elusive, as both a principle and practical tool it remains fundamentally important.

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