

21st March 2006

Carmel Howard  
Barker Review Team  
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Dear Mrs Howard

## **BARKER REVIEW OF LAND USE PLANNING IN ENGLAND**

I refer to the Call for Evidence for the Independent Review of Land Use Planning in England to be undertaken by Kate Barker. Please find set out below comments on behalf of Aggregate Industries.

As one of the UK's leading suppliers of construction materials we operate over 250 sites in the United Kingdom with the majority of those sites within England. As a Company we submit over 50 planning applications per annum for a range of developments from major applications such as quarry extensions, asphalt plants, concrete product factories through to a range of relatively minor developments. The core of our work is in the minerals arena and to quote our Non Executive Chairman "consented minerals reserves are the lifeblood of our industry". Without consented reserves construction material companies such as ours would cease to exist. More importantly the economic wellbeing of "UK plc", and of course society at large, would be disadvantaged if there is not a steady and constant supply of construction materials.

I believe from the experience we have in the planning world that the overall planning system is becoming increasingly complex, costly, slower and with less certainty. Key issues I have are as follows;

- The system has become more complicated with the introduction of Statements of Community Involvement, Regional Spatial Strategies, Sustainability Appraisals and SEA's
- Sustainable Development – there seems to be a lack of thought to the economy in the context of "sustainability", its heavily weighted by environmental issues
- Planning Authorities are under resourced and their workload has increased. In addition the working environment for many local authority officers is lacking.
- Planning Authorities are driven by attaining "targets" as required by ODPM for the league tables. Authorities therefore manipulate the system to ensure they reach the targets to the detriment of the applicants (see below)
- Statutory Consultees are often unduly late in responding to or commenting on planning applications

I have made the following comments relative to the questions asked in the Consultation Paper;

- Q1. 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?
- A1. As a business over the past ten years we have had over 95% of the planning applications we have submitted approved. That is in part to seeking permission for development which is compatible and sympathetic to the local environment. However over the past 3 to 4 years we have experienced extended timeframes for processing applications, in

particular for minerals related development. As a Company to extend a sand and gravel site we try and start the process 5 years before the land is required and this already assumes that the site is allocated in a Mineral Plan or MDF. A minimum of three years is usually required for the planning process itself. Over the past month we have concluded that this is no longer enough and for the planning process we should now work on a 5 year time frame.

A significant amount of time is spent dealing with environmental issues and as stated above considerable weight is given to, for example nature conservation and archaeology. I agree that these areas are very important and as a Company we consider ourselves to be one of the leaders in environmental performance and biodiversity management. However the timescales some Government Departments or Agencies work to is not acceptable. In addition I also believe that some Agencies or Departmental Officers do not take a balanced view and some are seem to be clearly opposed to any development.

Q2. 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?

A2. We now have different plans which ultimately have to deliver the same outcomes. It has been too early for us to see any clear evidence of how it is working but there has to be transparency from the RSS right through to LDF's and with that all of the component plans to be delivered in a timely manner. It is very easy for a local plan to become out of synchronization with a Regional Plan.

Minerals development in particular needs to be set in a Regional/County context. Like waste disposal it is "bad neighbour development" and if dealt with at the lowest level, UDP/District there is an opportunity for decision makers to try and push the development into adjoining authorities. Clear and concise guidance on the implementation of the system is essential. I would ask to you to review the guidance issued to Planning Authorities on the implementation of LDF's as an example of something which is complex to understand.

Q3. 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 consideration given too much or too little weight?

A3. I believe that environmental, natural resources and social considerations outweigh the equally important requirement to take into account economic prosperity and growth. The solution is for government policy guidance and that of agencies such as English Nature (Natural England), English Heritage and the Environment Agency to be required to balance all four pillars.

Q4. 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?

A4. I am responsible for our US property and system there has some broad parallels and works at a similar speed. Whilst I don't have any experience of the Canadian system I do believe they operate a "one stop shop" with one Government Agency taking a lead role.

Q5. 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?

A5. We operate in a highly regulated industry which is capital intensive and itself has to be sustainable. We cannot commit invest to projects until such time as all of the regulatory consents are in place. We can certainly plan for it but in doing do have to be flexible of the timing. A major investment could be delayed because a planning application has not being determined in the envisaged timeframe. Recent reforms have not improved this.

Over and above the increased complexity of the system one major issue is the resourcing of planning authorities. They are understaffed and under funded to carry out their duties. The planning system encourages pre-application discussion, on occasions we have been advised that there are no staff to do this. We have submitted applications and there have not been any case officers to deal with the application. I also believe that the working environment in many offices is less than adequate. Of the many offices we visit we find that there are often no meeting rooms available, officers work in space which is of poor design, layout and ambiance. How do you hope to attract new and the right calibre "planners" in these circumstances?

Q6. 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?

A6. We see little evidence, as customers, of the RDA's working closely with the Regional Assemblies.

Q7. 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?

A7. For minerals the system is far too slow predominately due to the lack of resources as discussed above and also that statutory consultees also contribute to delays. In many

cases planning authorities are waiting months for responses from statutory consultees. All statutory consultees should be required to respond in a fixed period. Failure to do so should result in there being no objection to the proposal.

Over and above time issues I also remained concerned at the quality of decisions which at worst result in refusals and at best poorly drafted planning conditions.

To address the above I would advocate the use of a delivery contract system. This would set out the parameters for the processing of the application, responsibilities and timeline. Given the level of application fees for a major application a dedicated case officer may be an alternative approach. Some of penalty for non performance should be introduced to ensure compliance with the contract.

Determining applications within the guidelines has also introduced unwanted outcomes which mainly relate to the maintenance of league tables. We have had experience of applications not being registered so that the "clock doesn't start ticking", applications have been determined, e.g. refused due to lack of information (whether actual or not) within the statutory timeframe. If the applicant wishes to extend the determination period they should be able to do so.

We have no concerns with the appeal system except that it is probably overloaded with appeals arising from poor decisions arising from applications having to be determined within the timeframe so the planning support grant is maintained.

Q8. 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?

A8. The annual cost to Aggregate Industries of preparing and submitting planning applications is in the region of £1.2M to £1.5M without factoring the time element. Individual applications have become increasingly costly; I set out a few examples below;

Dorset – Consolidating S&G application - £75,000  
Dorset – Greenfield S&G - £150,000  
South East Greenfield S&G - £70,000 upto application going in  
Midlands – S&G Greenfield + appeal - £175,000  
Midlands- Greenfield S&G - £165,000  
Midlands – S&G Extension - £275,000  
Yorkshire – S&G extension - £130,000

Costs can increase substantially if there are archaeological investigations to undertake or for example a flood risk assessment.

In an attempt to reduce the risk of incurring substantial abortive costs we endeavour to carry out as much pre-application research as possible. Some authorities as referred to above are not even resourced to consider pre application discussions. Some respond that they can only comment when a forma application is submitted. There is also a possibility that pre –application discussions are charged thereby further increasing costs.

Q9. 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?

A9. No comment

Q10. How does the planning system impact on competition, through influencing barriers to entry and exit and economies of scale? If there are areas where there is a negative impact, how can these be addressed, while protecting other goals of the planning system?

A10 Many of the problems we have today with for example housing supply are a result of the planning system not releasing land. Simply supply and demand scenario with ever increasing land prices. The time taken alone to have an application determined is a barrier to entry.

Q11. To what extent does the planning system effectively support innovation through fostering the formation of business clusters and wider agglomeration of economic activity?

A11. I have no direct experience in the area but I would suggest that the majority of innovation comes from developers.

Q12. 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?

A12. Given the under resourcing of planning authorities they are unlikely to have the time or resources to adequately consider or promote sustainable economic development. A significant number of experienced planners have left over the years to pursue their careers in the private sector putting further strain on the system. Please also remember that promoting sustainable economic development is the responsibility of all stakeholders and in particular the Regional Assemblies and RDA's.

With diminishing resources should consideration also be given to removing from the system the need for full/outline applications for all types of development? In many cases GPDO rights are removed and therefore when we need to undertake relatively minor development it requires a full planning application. We have experienced cases where for example we wished to construct a small workshop within a major industrial site where the development was not visible from the site boundary but a full application was required. This type of application "clogs" up the system.

Q13. 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?

In context of the planning process I still remain unclear on how all stakeholders can become or are willing to become engaged. The first and probably key point is that "planning" can be described as dull, technical and complicated. Policy and guidance can

of course add direction and planning authorities/applicants/developers are already doing what they can to get stakeholders involved, however the majority remain uninterested. Only a few local residents are going to become engaged in the formulation of policy and only those directly affected are going to become involved with a planning application. The downside is that ever increasing stakeholder engagement has the effect of further slowing the system down.

I work for a company where planning is an integral part of our business, it is critical for our long term success. For the SME's it is likely to be a burden. They won't employ the skills in house, all planning work will be outsourced and as described above the whole process will be uncertain. It may even be easier to relocate a small business that try and seek to extend an existing one.

Q14. 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?

A14. Incentives do work but I am sure how this can be achieved in the public sector ? One of the most effective incentives is enhanced pay or reward and I am not sure how that equates to the public sector. It would be easy for an aggrieved stakeholder to criticise a planning application if it was approved and some form of incentive given to the case officer. Maybe if they were resourced adequately and had a good working environment with competitive pay and conditions it would help the system overall.

Incentives in conjunction with local communities is also complex. Could you promote a system which said as an example, I will enter into a planning obligation which includes some local benefits if the application is approved in 8 weeks? Local communities have to see the benefits in a holistic sense, they need to see and benefit from good quality sustainable development.

Q15. 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?

A15. Yes simply by adopting a "can do" approach, endorsing the premise that there is a presumption in favour and development and speeding up the system.

In conclusion you can see that as a company actively engaged in the planning process that we are becoming increasingly frustrated with the timeframes, uncertainty and increased costs of working within the planning system. However given the history of planning I very much doubt if the system could stand a further comprehensive review. Time needs to pass to see how the system develops. I would welcome a further review in a year's time to monitor progress. As the QPA have suggested in their response maybe the time is right for a Royal Commission to be established.

Yours sincerely

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