

OUR REF CD/JG/12401

DATE 19 September 2006

Barker Review of Land Use Planning
Fourth Floor
HM Treasury
1 Horse Guards Road
London SW1A 2HQ

Dear Sir / Madam

Barker Review of Land Use Planning : Interim Report

I am writing in response to your invitation to comment on the Interim Report of the Barker Review of the land use system, which was published in July.

The report states that city growth can play an important role in regional productivity gains and the planning system has a key role in regeneration and place-making if used effectively in conjunction with other tools and working alongside other private and public sector bodies.

As a major regional centre Birmingham is one of the country's largest Planning Authorities. We believe that our pro-active approach to planning is re-shaping and making a considerable contribution to both the regional and national economy. We receive over 7,000 planning applications a year and in 2005/6 we determined over 300 major planning applications. The largest planning applications are of a truly transformational nature. We depend on the full use of the planning 'toolbox' in order to secure these projects. This includes providing development strategies, determination of planning applications and associated Section 106 agreements and the use of compulsory purchase orders in accordance with our Charter for major developments. As I explain in more detail below the speed at which we move development proposals through these processes has been greatly reduced by procedures introduced by the Planning and Compensation Act 2004.

As the State of the English Cities report indicated, performance of regional centres such as Birmingham is significant both to the national as well as regional performance indicators such as GDP or quality of life indices. Birmingham competes for Britain, on the world stage. We need the right tools as there are indicators that other cities are progressing regeneration and development projects faster, and therefore as a consequence Birmingham and other regional cities are placed at a considerable disadvantage as is the UK as a whole.

We are already delivering a number of major transformational development proposals here in Birmingham. These are transforming both the quality of life in the City and region and are adding to national GDP. These projects include redevelopment of New Street Station, the regeneration of Eastside, the redevelopment of the former Rover factory at Longbridge (see



below), and the redevelopment of the University Hospital at Edgbaston, Birmingham. Birmingham, like the other core cities needs the tools to be able to deliver these projects successfully and speedily in a complex urban environment. It is essential therefore that we are able to compete on a global stage. Our experiences from around the world, is that other cities are doing it better and faster.

I believe that the report is right to highlight the significant challenges which planning will face in the next few years. Increases in population and households, combined with continued economic growth, will inevitably generate growing pressures for development land in many parts of England, which is already one of the most densely populated countries in Europe. It will be the job of the planning system to ensure that these pressures are met, without land shortages acting as a constraint on development – but also without compromising the overall quality of the environment. At times this will certainly be a controversial process – and so it will also continue to be important for there to be active community involvement in planning decisions if the process is to be perceived as legitimate and transparent.

Most importantly, the planning system will need to provide clear guidance to the development industry as to where development will be encouraged, and where it will be opposed. The system will need to remain firm in its ability to resist development in unsuitable locations, even when these are attractive in market terms. However, the corollary to this is that it will also need to be positive and creative in ensuring that a proper supply of development land comes forward in areas identified for growth.

For a significant number of years now, our approach in Birmingham has been to welcome new activity and investment and the new development that this brings. We see this as essential to the continued renewal and regeneration of the City and we have sought to use the planning system creatively as a means of promoting development. I am pleased to note that the report recognises this, in relation to the renaissance of Birmingham City Centre.

Clearly, major cities such as Birmingham will continue to have a vital role to play as engines for economic growth, and it is particularly important that this potential is realised if we are to move towards the goal of sustainable development. I therefore hope that your final report will devote appropriate emphasis to the operation of the planning system in the major urban areas where the priority lies usually on managing change within the existing urban fabric, recycling brownfield sites and improving the existing infrastructure in order to benefit existing communities, rather than on the allocation of new sites for development. I would like to take this opportunity to highlight a number of issues relating to this which might usefully be picked up and developed in the final report. For ease of reference, I have grouped these under three broad headings – the Development Plan process, planning control and planning delivery grant.

Development Plan Process

The Interim Report notes that the Planning and Compulsory Purchase Act is still relatively new, and it is too early to judge its effectiveness. I understand the logic behind this view – and I agree that another wholesale review of the development plan system is not needed at this stage. However, there is now two year's experience of the new arrangements and I think

that this is sufficient for some deficiencies to be identified. In many cases these may be 'fixable' through relatively minor changes to procedures, regulations and guidance, and I think it would be useful if the Report considered the potential for this.

As I have already pointed out, in Birmingham, land supply for new development for the most part arises from the recycling of previously developed land. We therefore need a Development Plan Framework which can provide strategic certainty in relation to the direction and extent of change, but retain flexibility at the local level to respond to new opportunities quickly as and when they arise. This points to a need for a hierarchy of plans, comprising

- a city-wide strategy
- more detailed area-based plans, for areas likely to experience significant change
- planning guidance for specific sites

The new system provides for the first two levels of this hierarchy – but the third level is missing.

It is perhaps best to explain this by reference to a particular example. The collapse of MG Rover in 2005 resulted in the loss of some 6,000 jobs in and around Birmingham, but also created a large development site of some 100 hectares in the south of the City. There is general agreement between the Council, the landowners and the local community that there is an urgent need to bring this site forward for redevelopment quickly in order to encourage new investment and job creation in the area. However, this requires a planning framework to be put in place to guide the redevelopment and ensure it takes place in a co-ordinated way.

Prior to the introduction of the Planning and Compulsory Purchase Act, the Council would have done this through the preparation of Supplementary Planning Guidance. This would have been prepared within the context of the adopted UDP, and would have been subject to public consultation. Given the local circumstances, this could have been put in place in around 12 months.

This is no longer possible. Although there is provision for the preparation of Supplementary Planning Documents under the new system, this procedure cannot be used to allocate sites for development. The only option available within the new system is to produce a Development Plan Document. This involves some relatively complex, costly and time-consuming procedures, including a potential public inquiry, which is likely to take 2½ to 3 years to complete. The result is that under the new system it will take much longer, and be more costly in terms of financial and staff resources, to produce planning guidance for sites like the former MG Rover plant. This is frustrating for everyone involved in the process.

It seems to me that the full DPD process is not an appropriate vehicle for producing guidance for sites such as Longbridge. The SPD process would be more sensible and a more flexible interpretation of the Act and the Regulations to facilitate this would be a great step forward. This is an issue which the final report might helpfully develop.

You will no doubt already be well aware of the growing concerns amongst local planning authorities over the complexity of the regulations and procedures which apply to the production of DPDs, and in particular the risk that the whole document may be rejected at the end of the process, because of a deficiency at an early stage, thereby wasting several years work. While I consider that the basic principles underlying the DPD process are sound and reasonable for substantial documents like Core Strategies, I share the concern that the procedures are unnecessarily complex, and despite the lengthy official guidance, that there is a lack of clarity over how they are to be applied. At times it appears as though the system has been purposefully devised to set up a series of hurdles, all of which the local planning authority must clear, before achieving a 'clear round' and finally getting their plan adopted. There is a real risk that authorities will find themselves concentrating on satisfying the procedures rather than the content of their plans – and if this happens the quality of the end product will certainly suffer. I think that there is an urgent need for DCLG to institute a review of the DPD procedures, drawing on the experience of practitioners, with the remit of identifying ways in which they can be simplified and made less onerous, and you may wish to consider making such a recommendation.

Planning Control

There has been a great deal of emphasis on improving planning control performance in recent years, and much has been achieved in this regard.

There is now evidence from a number of larger users of the planning application process, that certainty of timescale for a decision is more important than the speed of the application process itself. Planning application performance is currently measured by speed and although additional procedures have been put in place to continue to address this, it seems that the length of time taken to determine an application can only be shortened by a finite amount. That level appears to have been reached.

In any event the 13 week target date is often only reached on major applications because of the lengthy pre-application discussions that take place. The actual time taken from inception to implementation may only have been slightly improved. Developers indicate to us that what they require in the case of major applications is a process which is project-managed and provides a greater degree of certainty. Development should not be governed simply by the speed at which the application can be determined. This is particularly important in urban authorities where many sites experience significant brownfield issues which take time to address, but are essential to get right if wider inner city regeneration is to be successfully promoted.

It would be helpful if the final report could draw attention to the importance of certainty as opposed to speed in planning control.

One issue which can cause significant delay to particular applications is the requirement to refer certain types of application to DCLG before a decision is made. This can count against an authority's performance figures, but more particularly it prolongs the uncertainty for the developer in terms of when to expect a decision. Many applications which are referred are not in fact called in, and this suggests that there should be scope to modify the referral criteria

to reduce the number of applications which become caught up in this process. This is a relatively minor change which could have significant benefits.

Planning Delivery Grant

The interim report identifies as an issue the possibility that incentives should be provided to local authorities which accept and promote new development.

I think that this is an idea which has merit – but careful consideration will be necessary if an effective system is to be devised. In taking this forward, it may be helpful to distinguish between two different approaches, both of which may be required.

1. Local authorities and other public agencies which include areas identified through the Regional Spatial Strategy process for significant growth, require the certainty that resources will be available to meet the inevitable demands for new and improved infrastructure which growth will bring. A reliable mechanism to deliver this could be a significant factor in ensuring that growth proposals are implemented.
2. There is also a powerful case for rewarding authorities who are successful in delivering the outcomes which are required by national and regional planning policy, and set out in their own Core Strategy. It needs to be recognised that this may sometimes involve restraining development in areas where this is required by RSS policy, as well as promoting development in other areas and that the need for new housing is not the only development pressure which can occur. There is a need for a system which rewards authorities for delivering outcomes which contribute positively to sustainable development – but reflects the fact that this will produce different priorities in different areas.

I hope you find these comments helpful and constructive. I would be happy to provide further information in relation to any of the points raised if this would help – and I look forward to seeing the final report in due course.

Yours sincerely



Clive Dutton
Director of Planning and Regeneration