



Our Ref: DAP/hb
24th March 2006

27 MAR 2006

Ms Carmel Howard
Barker Review Team
4/E1
1 Horseguard's Road
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Dear Ms Howard

BARKER REVIEW OF LAND USE PLANNING

I am writing to you in response to the 'call for evidence' for this latest review of the planning system to be carried out by Kate Barker.

I am very pleased to have this opportunity of presenting once again my views and ideas on how the planning system should be changed if we are to lift the 'dead hand' of bureaucracy and delay which seems to be endemic in the present system.

This is a matter about which I feel very strongly; so strongly in fact that in November 2005 I was driven to publish my own 18-point plan for improving the planning system which received wide and generally positive publicity in the national and trade press, and which I have since discussed with government officials on a number of occasions. For your reference, I attach a copy of my press release dated 28 November 2005 which sets out the main points of my plan. I propose to use this plan as a framework for my comments in this letter.

Since January 2005 I have also commented on the three government consultation papers on updating PPG3 on Housing and the government's paper on the new Planning Gain Supplement. I am also familiar with Kate Barker's 2004 final report on housing supply issues and the governments' formal response to her report of December 2005.

I understand the terms of reference of this new review are considerably wider than Kate Barker's earlier study and not simply limited to the effect of the planning system on the supply of new housing. I believe this new review is a very worthwhile, and long overdue, exercise and I set out below in this letter the main areas of concern and the positive ideas, that I and my senior colleagues within this Group's 32 operating companies (Barratt Homes and KingsOak Homes) have identified, based on our nationwide house-building activities and our regular contacts with many local planning authorities throughout Britain.

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Barratt Homes is a member of the Home Builders Federation and the CBI and I have no doubt that these organisations will be submitting comments on behalf of their members. However, in view of the importance of this subject and this company's position as one of the nation's largest house-builders which has built more new homes, including affordable homes, than any other house-builder over the last decade, with a very high proportion being on brownfield land, I felt it appropriate once again to submit my own comments direct to Kate Barker.

The challenge facing the planning system in 2006

Since the Second World War, the town and country planning system has played a pivotal role in controlling the development and use of land in this country. The system was devised in the aftermath of the war as the means of planning and regulating the rebuilding of our towns and cities. The economic, social and environmental circumstance prevailing at that time were very different from the challenges we now face 60 years later in securing our country's future prosperity and protecting our environment in an era of intense international competition.

It is now essential for the nation that we have a planning system that is proactive, rather than reactive; positive rather than negative in its approach to the development needs of business and the community; and much quicker in its operation to reflect the ever-increasing speed of doing business in the modern world.

Unfortunately, at the moment the planning system has mainly negative attributes, and very few positive ones. And what is more depressing is that I do not believe that the government's latest changes to the plan-making system are likely to make any real impact on these problems. In fact, I believe the changes introduced by the government in 2004 may be making matters worse rather than better, at least in the short to medium term.

The development plan system

The Planning and Compulsory Purchase Act 2004 effectively scrapped the three-tier system of Regional Planning Guidance, Structure Plans and Local Plans where national coverage had been built-up over at least 15 years of hard and expensive work; and introduced a new two-tier system of Regional Spatial Strategies (RSS) and Local Development Frameworks (LDF) where unelected regional planning bodies and local planning authorities have to start the whole plan-making process over again.

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We are now in a position of limbo and confusion which is likely to last for a number of years while the new RSS/LDF documents are written, public consultations are carried out, inquiries are held, revisions are made and finally documents are adopted. Frankly, I find it very surprising that the government has introduced such a radical overhaul of the plan-making system at a time when house-building is at a 50 year low and housing affordability problems have never been greater.

In my company's experience, local planning authorities are routinely delaying making planning decisions on the pretext of not wishing to prejudice decisions that have yet to be made during the LDF process. Confrontation is looming at the regional level between unelected officials keen to reduce house-building rates and the government which is trying to expand the supply of new homes in response to the recommendations in your 2004 report. The South-East England and East of England RSSs are prime examples of these tensions and where many months of uncertainty lie ahead while Examinations in Public are held, Panel reports are prepared, before the First Secretary of State can start to take decisions. And only when the RSS for each region is finalised, can the local planning authorities within that region properly prepare their LDFs. In the meantime, LDF work is progressing in what is effectively a strategic policy vacuum, with all the associated costs and waste of resources involved.

My concerns are vividly illustrated by the publication this month (March 2006) of the government's latest household projection figures for the next 20 years. The government are now forecasting that, nationally, we need to plan for 209,000 new households each year, instead of the 190,000 per year forecast in 2002. 60% of this increase is forecast to be needed in London, the South East, East of England and the South West.

This 10% forecast increase in households nationally comes in the same month that the SEERA has finalised its RSS for the south-east region and which they will be submitting to government at the end of March for approval.

SEERA's agreed overall strategy for the South East Region for the next 20 years is based on the provision for 28,900 homes each year. The latest household projection figures published on 14 March 2006 show that SEERA should in fact be planning for 36,300 new homes each year up to 2026. The difference between these 2 figures (7,400 homes per year) over the 20 year period will amount to 148,000 new homes.

It seems to me that this must mean that this new RSS is fundamentally flawed even before it has been submitted to government for approval. The strategy has taken many months of hard and costly work to prepare, including public consultation, and now clearly fails to allocate enough land for new housing to meet the forecast demand over the next 20 years. 148,000 homes require a lot of land and the inevitable fight must now begin on where these additional houses will be located.

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Clearly this is a totally unacceptable way for the world's fourth largest economy to proceed. To be working with a plan-making system where the 'power house' of the whole national economy i.e. the south-east region, publishes its development plan for the next 20 years in the same month that the official government household estimates are increased by over 25% is clearly ridiculous. As a nation, we can and must do better!

Certainty and transparency in the planning system

I believe the primary purpose of the planning system is to effectively arbitrate between economic, social and environmental interests in the use and development of land. This function is encapsulated in the motto of the Royal Town Planning Institute: *'Mediation of space – making of place'*.

As currently operated, present the system is pleasing no-one and lacks clarity, certainty and transparency for developers and members of the public alike.

From the point of view of a house-builder, I find it **completely** unacceptable that this company can purchase a parcel of land identified for residential development in an adopted Local Plan, and then find that I cannot get planning permission to develop it because of strong local opposition or the ridiculous decision of the local planning committee.

The price we pay for land reflects the use to which it can be put. After carrying out proper due diligence on the planning context before purchasing a site, I believe all developers should be able to rely on allocations in approved planning documents and supplementary planning guidance when taking major commercial decisions involving many £millions of shareholders funds. We should not find ourselves being faced with long delays, considerable uncertainty and unforeseen costs in obtaining planning permission to develop the land in the manner set out in approved plans.

I believe that where land is identified for development in an approved development plan, (i.e., local plan, unitary development plan, or in future in a 'Site Allocation Development Plan Document') it should be tantamount to outline planning permission. The Local Planning Authority should not be able to refuse or delay the granting of detailed planning permission or reserved matters for the development of such land.

The developer should also be able to ascertain before purchasing the land what section 106 costs will be expected, and the Council should not, after agreeing the initial section 106 costs, be able to impose additional costs at the detailed planning stage as is often the case. The housebuilder is effectively in a blackmail situation, being threatened with delays to the issuing of planning approvals and extensive and protracted negotiations usually transpire – extending the whole planning process, often by months. I would confirm that the average length of time that a Barratt

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planning application currently takes to conclude a Section 106 agreement is 5 months.

These are simple principles which I believe should be at the heart of any rational planning system in an advanced economy such as ours. All too often the house-building industry is faced with a completely different reality: major opposition from residents, councillors, local interest groups, prevaricating and/or over-worked planning officers and wholly unacceptable delays and costs in obtaining consents. Local pressures to refuse applications is often intense and sustained, and the whole process is completely contrary to the notion of '**planning**' the future use of land and buildings.

This problem needs to be tackled urgently and decisively.

Development control

The process of 'development control' is where most of the day-to-day problems associated with the present planning system are rooted.

The very term 'control' has negative connotations which are reflected in the psyche of many local authority planning officers and councillors who see it as their job to find reasons to stop development taking place, rather than adopting a 'can do' positive attitude to facilitating the development process.

I believe there are a number of very practical steps that should be taken quickly to rectify these problems which would not require any change in the law. These may be summarised as follows:

1. **Training for decision makers** - before any councillor is allowed to sit on any development control or plan-making committee, he or she should receive formal training in the legal basis of planning system and how it should operate and be required to demonstrate effective understanding of such requirements.

This would avoid councillors making ill-informed, if not completely spurious, decisions on a whim for local political advantage.

2. **Valid planning considerations** – the government should provide definitive guidance to local planning authorities on what are, and are not, valid planning considerations when considering applications for development.

Such guidance should be used to train Councillors and form the basis of all planning consultations with the aim of removing from consideration all non-planning issues. Examples of irrelevant considerations often encountered are:

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- noise, disturbance and traffic caused by building works
- the loss of a particular view as a result of development
- private property rights such as covenants
- the developer's identity, morals, motives or past record
- effect on the value of neighbouring property
- the fact that development has already started
- trade objections based on competition
- moral objections such as an objection to gambling or a pub

The 'best practice' already employed by some Councils in this regard (e.g. Wokingham Unitary in Berkshire) should be extended to all local planning authorities. This could be quickly and easily achieved at minimal cost.

3. **Wider use of delegated powers by planning officers** – where an application accords with the approved development plan, there should be a strong presumption that it is dealt-with quickly and positively by professional planning officers.

There should be no need for such applications to go to committee – the decision on the principle of development in that particular location has already been taken at the stage of producing the Local Plan or LDF. As long as the application accords with adopted design criteria and planning policies e.g. provision of affordable housing, parking standards etc, there should be a strong presumption that the application should be approved without delay.

At present, many Councils' delegation arrangements state that an objection by even one Councillor, or a Parish Council, is enough to override the delegated powers of officers and results in the application becoming embroiled in political controversy and delay at committee. This is often where the decision goes 'wrong' for completely irrelevant local political reasons.

Improving the delegation arrangements of councils would, I believe, greatly improve the efficiency of the planning system, as long as planning officers act in a professional and independent manner and resist unwarranted pressure from local politicians to influence decisions

4. **Public consultation** – some of the longest delays in the planning process result from the public consultation requirements when planning applications are made.

Many of the responses generated are either against the principle of development or relate to one or more of the non-planning issues I refer to under item 2 above. This raises the local 'temperature' surrounding the application and goes to the heart of much that is wrong with the planning system at present.

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Where a Council simply writes to neighbours and interest groups to notify them that an application has been lodged, in most cases it seems to trigger a peculiarly British anti-development reaction. It is an open invitation for a new action group to be formed, a petition to be raised, or a letter writing campaign to be organised. It is no wonder the whole planning process degenerates into confrontation, antipathy and delay.

Public consultation obviously has a valid role to play in the planning process but it needs to be done in a far more structured and focused way than at present. The Council's notification letters should make it clear what the adopted policies state about the proposed development, the issues upon which comments are invited, and make it clear what are, and are not, valid planning considerations (see comments above). This could be achieved by including with the letter a properly structured 'pro-forma' comment sheet on which all responses must be submitted, and by making it clear that non-planning issues are not relevant and will not be taken into account.

A more structure approach to consultation would focus the local debate on the valid and important planning issues which the Local Planning Authority and the applicant could then address in a constructive manner.

The timing of consultation responses also needs to be tightened. Very often applications are held up because, for example, the highways or housing department has failed to comment on the application within a reasonable period. Strict time limits should be set for all responses to ensure the planning department can determine the application within the statutory period. One lazy or absent officer in one particular department should not be able to hold up a multi-million pound project, often at considerable cost to the applicant.

5. **Adherence to adopted policies** – where a planning application is reported to a planning committee, the professional officers will normally submit a written report which will include a recommendation either to approve or refuse the application, depending on how it 'fits' with the Council's adopted planning policies.

Assuming the members of the committee are properly trained, as I suggest above, they should be led by the officers to a proper decision on the application. The difficulties arise in practice where members of the committee use the planning process for local political advantage, often in response to local interest groups seeking to block the development. The hidden agenda is often a spurious refusal against professional advice, in the knowledge the developer can go to appeal, the decision will then made by the First Secretary of State, and the local politicians can 'wash their hands' of the decision in front of their electorate.

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All too often we encounter cases where the planning officers' professional advice and recommendations are overruled, and officers then face the farcical situation of having to concoct reasons for refusal on behalf of the committee which they know to be incorrect.

Such irresponsible tactics bring the whole planning system into disrepute and cause untold resentment from all concerned. The remedy is to place far more responsibility on local planning authorities to implement their own adopted policies – and I set out below under the heading of 'Planning Appeals' how I believe this could be achieved easily and quickly.

Planning appeals

Based on many years experience of direct contact with the planning system in Britain, I believe one of the quickest and easiest changes that should be made would be to make the losing party in any section 78 appeal responsible for the other party's costs.

The automatic apportionment of costs in this way would make developers think very hard before they pursue an appeal and make Councils think very hard before they refuse applications for spurious reasons. Planning applications would be prepared more thoroughly at the outset, and committee members would be far less likely to play the sort of political 'games' I outline above if they know the Council will have to pay the developer's costs, if the appeal is upheld.

This system of costs applies in the courts and I see no reason why it should not apply to the quasi-judicial process of planning appeals. It may be appropriate to make exceptions to this rule for minor 'householder' applications where the burden of costs for an individual owner might be too great to bear; but in the vast majority of commercial cases I believe the principle would be sound and justifiable.

I believe this approach would reduce the number of spurious appeals where the developer or council has nothing to lose. The present costs system results in very few awards because the burden of proof is so high and in practice it acts as very little disincentive to irresponsible and unreasonable action by either party.

Reducing the number of appeals in this way would have the added benefit of relieving pressure on the Planning Inspectorate and speeding up the whole system to everyone's advantage.

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Planning application fees

The principle of fees for planning application is now well-embedded in the planning system. The fee is essentially a payment by the applicant for engaging the services of the local Council's planning department in processing a particular planning application.

As with the payment of a fee for any service, the person paying is entitled to expect a reasonable standard of delivery. The more one pays, the better the service should be.

Following these principles, I believe the planning fee system should be restructured along the lines of the postal service. The applicant should have the option of paying more for a guaranteed faster service with an agreed decision date when the application is lodged; or a lower fee for a lower priority service. This approach would enable Councils to raise additional revenue which could be spent on recruiting and training extra planning officers.

There are many instances where I believe developers would be willing to pay for a 'first-class' service from the Council and this could make a significant difference to the efficiency of the planning system overall.

Affordable housing

I believe the government's definition of 'affordable housing', which is restated in the latest draft of PPS3, should be extended to cover **low-cost market housing, which is guaranteed in perpetuity.**

This would enable developers to sell homes to key workers, first-time buyers and other lower income groups at substantial discounts to open market value. Barratt Homes devised such a scheme in May 2005 and I enclose details with this letter for your information.

I estimate that this change alone could free around £500 million in public money each year which could then be used to provide an additional 6,000 homes per year for rent for those on lower incomes who are unable to buy.

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Brownfield development

I have been a very strong supporter of government efforts to encourage development of brownfield land for a considerable period of time. In my 2005 action plan, I suggested that the national brownfield target should be increased from 60% to 65%, accompanied by increased protection of core Green Belt land around our towns and cities. The achievability of this target is demonstrated by the recent actions of Barratt Homes where nationally we have achieved 82% of our new housing on brownfield sites, with the figure rising to 95% in London and the south-east regions.

I believe a 65% target figure nationally should be achievable and should form the basis of national planning policy. With this as the target, any deviation by individual local planning authorities would have to be fully justified based on local circumstances.

Government should also issue instructions to local planning authorities that all brownfield applications must be fast-tracked through the development control system so that the delays in starting development can be reduced to a minimum.

Green Belt Land

Green Belt land has become the 'sacred cow' of the planning system that cannot be touched except in the most exceptional circumstances. The fact is that significant parts of the Green Belt around our major cities have become despoiled areas which are unattractive to look at and which are in many cases effectively brownfield.

In my opinion, the whole concept of Green Belt protection set out in PPG2 (January 1995) needs to be radically reassessed. We need to move to a system where we identify 'core' areas of land around cities where the 5 true Green Belt functions identified in paragraph 1.5 of PPG2 are fulfilled. This list should in fact be reduced to 4 because the fifth function (to assist in urban regeneration, by encouraging the recycling of derelict and other urban land) is now covered by other brownfield policies and objectives which are well entrenched in the planning system.

By focusing on 'core' Green Belt areas around cities, we can act to ensure these areas are protected for the very long term, thereby removing any possible 'hope' value that owners may harbour. The development potential of other non-core land removed from the Green Belt can then be assessed on its merits, and be developed, or not, as appropriate.

Many of these non-core sites may be appropriate for either commercial or residential development, because, being close to the urban area, they may well be in sustainable locations and in many cases they can only reasonably be regarded as brownfield due to their present unattractive condition and/or historic use.

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The government's latest Green Belt Direction (December 2005) does nothing to tackle this issue in a proactive and positive manner. It simply defines more precisely the situations in which the First Secretary of State gets involved in decisions on development of Green Belt land.

I believe a far more radical reassessment of Green Belt is required. I recognise that such a reassessment will need to be treated with caution to ensure that landowners do not abuse the process by deliberately allowing the condition of their land to deteriorate in the hope of achieving consent for development. However, I see no reason why this transition process cannot be managed efficiently, if the political will and backing is there to tackle the issue.

Rural Communities

The debate about the efficiency of Britain's planning system must not ignore the needs and priorities of rural communities. Many rural areas face important social and economic difficulties which the strictures and inflexibilities of the planning system are not able to tackle.

I believe ways must be found to increase low cost market housing in rural areas for local people, particularly first-time buyers and key workers. Barratt Homes has already developed a low-cost market housing model that could easily be adapted to meet the needs of rural communities, if the sites were available to build on. A change in the law may be necessary to ensure that houses built on allocated sites in rural areas are occupied only by people with local connections. Several attempts have been made to achieve this in recent years, for example in the Lake District, but to date success has been very limited.

I would like to see provisions built into planning and property law which would require rural communities to identify land for the construction of low cost market and rented housing for local people. Planning permissions for such schemes should include local occupancy conditions and section 106 agreements should guarantee that prices would remain at a discount to open market prices.

Ideally, local communities should identify a small (up to 2 acres) housing site in each village, or group of villages, to meet identified local housing needs which would be protected in perpetuity. Fair market value should be paid to the land owners but should take into account that the homes should be built for local first-time buyers/key workers at a discount to normal local values. This approach would make a considerable difference to rural deprivation and ensure that new houses in rural areas are not simply purchased by outsiders as weekend or holiday homes.

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To reflect my concern for this issue, I have published my own key-worker initiative for low cost market housing, and most recently, my suggestions for dealing with the shortage of affordable housing in rural areas. I enclose copies of these documents for your consideration.

Public Sector Landholdings

As the nation's largest landowner, the government should change the 'best value' criteria which apply to most public sector land disposals.

Public authorities should be able to give much greater weight to local economic considerations, for example the issues of housing affordability and job creation, when selling land for development, as is now starting to be done by English Partnerships.

The sale of land at less than open market value, in exchange for guaranteed lower selling prices to first-time buyers, key-workers and other groups unable to purchase housing on the open market, is a justifiable way for public authorities to proceed.

The same principles should apply to mixed-use and commercial schemes where economic and social regeneration could be facilitated by imaginative public sector action at the time of land disposal.

Section 106 Obligations

The issue of how best to raise revenue for infrastructure works related to new development is currently being debated in relation to the Planning Gain Supplement. I have already submitted comments in relation to the December 2005 consultation paper.

Whichever way the government decides to proceed, section 106 obligations are likely to remain in some form, even if only to relate to site-specific issues such as affordable housing.

The present section 106 system is inherently slow and cumbersome. In every case the lawyers seem to have to 'reinvent the wheel' in terms of drafting and negotiating the precise terms of the agreement.

I believe there is considerable scope for the use of 'model' agreements which could be laid down by government in the same way as 'model' planning conditions are set out in Circular 11/95 *'The Use of Conditions in Planning Permissions.'* These model conditions have become widely used and accepted by all local planning authorities and I see no reason why similar model clauses could not be specified for section 106 legal agreements and unilateral undertakings.

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Planning Standards

Government should be far less prescriptive about planning standards generally, and density and car parking standards in particular.

I note and have commented on the fact that the latest draft of PPS3 moves in this direction with the removal of the upper density guideline of 50 dwellings per hectare and the upper car parking limit of 1.5 spaces per dwelling.

I welcome these changes by government who now seem to accept that local planning authorities should have greater discretion to set their own planning standards to reflect local circumstances. The imposition of national standards has been shown to be too inflexible and has resulted in the 'mushrooming' of high density flats in many of our towns and cities which has distorted the housing market in many areas e.g. Nottingham, and led to a severe shortage of new, lower density family housing in many areas e.g. Slough in Berkshire.

Local planning authorities should be able to set standards which reflect the needs and priorities of their local areas as part of the LDF process. This approach is much more likely to meet the housing needs of an area than nationally-imposed standards which cannot possibly reflect local circumstances.

SUMMARY

In this letter I have identified some of my most serious concerns with the present planning system and suggested ways in which I believe they should be tackled.

Over recent months I have been engaged in what I believe have been very constructive discussions with many officials at ODPM during my involvement in the Working Party on housing supply and on the Senior Steering Group for the Code for Sustainable Development. I have also had separate discussions with Dr Tim Williams, special housing advisor to David Miliband MP; I have published my 18-point plan for improvements to the planning systems, my key-worker initiative for low cost market housing, and most recently, my suggestions for dealing with the shortage of affordable housing in rural areas.

I strongly believe that much can and should be done by government to improve the operation of the present planning system in Britain. This country invented land use planning and exported many of the founding principles throughout the world. It is ironic that we now find ourselves with a system that seems to be mired in bureaucracy, inefficiency and delay that is holding back national economic and social progress in a fast changing world.

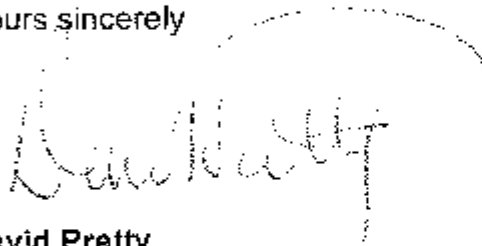
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To put it in perspective, our own analysis of planning applications made last year showed that it took a total of 65 weeks for the average application to reach final Section 106 agreement and when we could start building works. This is made up of an average of 20 weeks in pre-application discussions, an average of 25 weeks from registration for the application to be approved by Committee and a further 20 weeks for the Section 106 to be concluded, i.e. 65 weeks in total, or 14 months. This compares to 12 weeks (3 months) 25 years ago. That really is the scale of the problem the industry faces today.

I sincerely hope Kate Barker will find the comments in this letter helpful and relevant to her current review of land use planning and I look forward with great interest to reading her interim report this summer and her final report at the end of 2006.

Yours sincerely

A handwritten signature in black ink, appearing to read "David Pretty". The signature is written in a cursive style with a large, sweeping flourish at the end.

David Pretty
Group Chief Executive



BARRATT
Britain's Premier House Builder

PRESS RELEASE

28th November 2005

Barratt chief calls for more help for first-time buyers - and planning reform

More help for first-time buyers, more brownfield development and reform of the planning system are urgently needed, according to Barratt, Britain's leading housebuilder.

Introducing an eighteen-point programme of suggested reforms, Barratt Group Chief Executive David Pretty said: "The Government is calling for more homes, more social housing, more urban regeneration, more training, more innovation and better design – and we at Barratt are delivering on all of those fronts.

"But the industry could do so much more if the consistent obstacles to building more homes were cleared away and the planning system overhauled. There is no shortage of Government commitment and awareness of what needs to be done and I am encouraged by the genuine political will to make improvements. Now we really do need the system freed up so that we can get on with the job."

Mr Pretty's suggestions include:

- Expansion of the definition of 'affordable' housing to enable housebuilders to sell homes at substantial discounts direct to key workers, first-time buyers and others who cannot afford to get on the home ownership ladder.
- Increasing the Government's existing national 'brownfield' development target from 60% to 65% to encourage more regeneration – and backing it by introducing a fast-track process for brownfield planning applications.
- Strengthening protection for core Green Belt areas but releasing many of the small, scruffy, unused fringe areas of Green Belt which have little merit other than as potential housing land.

Mr Pretty, a leading figure in housebuilding for over 25 years and a member of the Government's Sustainable Buildings Steering Group, also suggests a number of changes to reduce the burden on the planning system, such as:

- Specialist planning training for councillors on local authority Planning Committees.

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- Requiring elected councillors to implement their council's adopted planning policies, which are, in fact, often ignored for local political reasons triggering wasteful appeals.
- Introduction of charges for planning appeals, with the losing party paying the successful party's costs, thereby reducing ill-considered appeals and spurious objections.

Mr Pretty said that Barratt - which built over 14,350 homes last year, more than any other housebuilder - and other major builders had confirmed to Government that industry production could be increased by at least 10 per cent every year given a speedier planning process.

He said: "Planning and building approvals take on average between eight and 18 months, whereas 25 years ago the average maximum was 18 weeks. That, in a nutshell, shows how bad the problem has become.

"It is not just that council planning departments and the Planning Inspectorate are seriously under-resourced for the task in hand - which is unquestionably true - but that planning at a local level has become totally bogged down in consultation, administration and regulation."

He added: "Planners need more flexibility, too, on the crucial issues of today, like housing density, car parking and design, with local authority members and officers working with builders to provide appropriate local solutions, with less prescription from central Government. I would also like to see more development corporations (DCs) or even 'mini-DCs' to facilitate regeneration and by-pass unnecessary red tape in pockets of particularly urgent need."

Mr Pretty also suggests help for rural communities, where there is a desperate shortage of homes for first-time buyers and the lower-paid: "I would suggest that local authorities in country towns and villages are each required to identify one small site to be designated for at least 40 homes specifically for first-time buyers and key workers, and fast-tracked through the system. It may not sound much, but if it happened in hundreds of country communities, it would have a quick and significant effect - and probably be more acceptable to local people than larger developments" he said.

Another radical point in Barratt's 18-point plan is the suggestion that the Government, as the nation's largest landowner and largest supplier of land to housebuilders, should accept prices significantly below market value when disposing of redundant land stock to housebuilders - in return for lower selling prices to first-time buyers and key workers, as well as more design and environmental innovation.

Said David Pretty: "Looking further into the future, the Government should consider a major shift in how the vital local democratic process is controlled and managed. There is far too much consultation at every stage of planning with the result that the process just seems to go on for ever - and the inevitable effect is that less houses are being built than 50 years ago, and for a much larger population!

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"It is generally accepted that we should be producing over 250,000 homes annually to meet the basic national housing need, but we actually produce much less than that each year while the population continues to grow. I suggest the Government focuses democratic participation and consultation on deciding local planning policy; once the strategy is agreed, consultation should end there - and the professional planning officers be left to implement it."

He added: "The stark reality is that we already have a housing problem and it is getting worse. No single party is to blame for the accumulated effect of decades of neglect on the system, which has now reached the stage where, ironically, no one is happy and everyone thinks it is working against them - whether they are local communities, preservation bodies, builders, planners or local authorities.

"My 18 points don't require a seismic shift, but will serve to refine the system in everyone's interest. Individually, they are relatively small, common-sense improvements which combined could, I believe, make a big difference in a relatively short space of time."

END

28th November 2005

Inquiries (media only): Group Press Officers - Robert Barlow, 01440 783636 bob.barlow@rbc-pr.com; OR David Simpson, 0191 265 0040.

Notes for Editors - 1:

Full list of Barratt's suggestions to increase housing provision, starting with general policy:

MEASURES TO INCREASE HOUSING PROVISION

- Expansion of the definition of 'affordable' housing to enable housebuilders to sell homes at substantial discounts direct to key workers and other lower-paid people who cannot afford to buy outright, as detailed in Barratt's Key Worker Initiative announced in May 2005. This could free around £500m in public money, which in turn could provide an additional 6,000 homes per year for rent for those on lower incomes who are unable to buy. *[Full account of the Key Worker Initiative available on request from bob.barlow@rbc-pr.com]*
- Increasing the Government's existing national 'brownfield' development target from 60% to 65% to encourage more regeneration - and fast-tracking of these applications through the system.
- The Government, as the nation's largest landowner - and the largest supplier of land to housebuilders - should accept prices significantly below market value when disposing of redundant land stock to housebuilders, in return for lower selling prices to first-time buyers and key workers.
- Help for rural communities, with all rural local authorities required to designate at least one site in towns and villages, each providing circa 40 homes specifically for local first-time buyers, key workers and others who cannot afford to get on the home ownership ladder. Applications for these sites also to be fast-tracked.

Notes for Editors continued! ...

- Strengthening protection for core Green Belt areas.
- Releasing many small, scruffy, unused fringe areas of Green Belt which have little merit other than as potential housing land.
- More development corporations (DCs) or smaller 'mini-DCs' to facilitate regeneration and by-pass red tape in pockets of particular need.

Suggested reforms to the planning system:

- A limit on the burgeoning requirement for public and other consultation, which has served to massively extend the time taken to deal with applications. Once planning policy is approved, consultation should end and professional planning officers left to implement agreed strategy. Currently, over 50% of applications recommended for approval by planning officers are rejected by councillors.
- Requiring elected councillors to implement their council's adopted planning policies, which are, in fact, often ignored for local political reasons triggering wasteful appeals.
- Specialist planning training for councillors on local authority Planning Committees (in much the same way that Justices of the Peace are required to undertake legal instruction).
- Government-issued advice for local councillors on what are and are not 'material planning issues' to be taken into account when determining planning applications. There is often far too much time-consuming debate on non-planning issues, such as the perceived effects on local property prices, temporary construction noise etc.
- Introduction of charges for planning appeals, with the losing party paying the successful party's costs, thereby reducing ill-considered appeals and spurious objections.
- More resources for the Planning Inspectorate to speed up appeals
- Introducing a fast-track process for brownfield planning applications, which currently get absolutely no priority.
- Allowing local planners more flexibility on housing density, using density guidelines as a minimum rather than a maximum and encouraging more innovative design.
- Allowing local planners more flexibility on car parking, now one of the most controversial planning issues – and one which is unpopular with homebuyers and results in streets cluttered with on-site parking
- Less design prescription from central Government, which can often result in urban-style housing which can be inappropriate for its location. Local authority members and officers should be allowed to work with builders to provide appropriate local solutions.
- Recognition that many objections to planning applications are about lack of infrastructure, not the prospect of new housing. Regrettably, Britain invests far less than many other countries in local and national infrastructure.

Notes for Editors – 2:

Brief background on Barratt and David Pretty:

ABOUT BARRATT

Barratt Developments has been the major force in British housebuilding for over 40 years and is currently Britain's largest housebuilder by volume, last year completing over 14,350 homes in England, Scotland and Wales. The company has undergone 13 consecutive years of organic growth and is the nation's leading urban regenerator, committed to the creation of sustainable communities and building homes in all price ranges. The company's geographical spread and organisation combines the benefits of local companies answering local needs with the financial and management resources of an international developer.

In addition to private housing, Barratt has a major commitment to social housing partnership development, providing homes for rent, shared-ownership and low-cost sale with local authorities, housing associations and other bodies, particularly in the UK's inner-city areas, and also has the largest skills and training programme in the housebuilding industry. The Barratt Group is increasingly recognised for its design innovation, and – with its MMC (modern methods of construction) joint venture company, Advance Housing – is currently preferred developer on two key sites designated for the Government's Design for Manufacture Competition.

DAVID PRETTY, GROUP CHIEF EXECUTIVE

David A Pretty, Group Chief Executive of Barratt Developments PLC, is one of the housebuilding industry's best-known figures, having been active at senior management level for well over 25 years. Although recognised primarily for his extensive experience and leading role in the fields of urban regeneration, land buying and marketing, he is also considered a pioneer of social housing partnership development in the inner-cities. He undertook one of the first private-public partnerships in London 25 years ago and today, as CEO of Barratt, heads the nation's largest provider of social housing.

He was raised on a council estate in Shepherds Bush, west London, and achieved an honours degree in economics at the University of Hull. In 1966, he joined Procter & Gamble, the consumer goods multinational, as a graduate trainee and moved into the housing industry in 1968, joining Barratt as a sales and land director in 1976. In 1980, he was appointed managing director of Barratt Central London, with responsibility for opening up Barratt operations across the capital – which included many major inner city projects, and also selling a large Barratt family home in Dulwich to the then Prime Minister Margaret (now Baroness) Thatcher. He subsequently became Barratt Group Marketing Director and then Chairman of Barratt's Southern Region, transforming it into the Group's largest region. He was appointed Group Managing Director in 1998 and Group CEO in October 2002. He remains the longest-serving member of the Barratt Main Board. David Pretty is married with two daughters and four granddaughters, and lives in London with his wife.

END

Images of David Pretty are downloadable free from www.barratt-investor-relations.co.uk



BARRATT

Britain's Premier House Builder

PRESS RELEASE

NEWS RELEASE

For immediate release: 23rd May 2005

Barratt urges low-cost sales direct to key workers to ease social housing crisis

The newly re-elected Government must take a more radical approach to the nation's affordable housing crisis by creating a wider definition of social housing, according to Barratt, Britain's largest housebuilder.

Levels of affordable housing could be quickly increased by urgently introducing a new 'social' category of homes for sale at substantially discounted prices aimed primarily at key workers, says Barratt Group Chief Executive David Pretty.

"Under our proposal, housebuilders would contract to sell a proportion of their new homes at well below market value, allowing key workers -- who are critical to the fabric of society - to realise their home ownership ambitions, particularly in expensive areas," he said. "This would have a profound and almost instant effect on the social housing crisis that is staring us in the face."

Crucially, the scheme would not require any existing Government social housing funding, which could in future be wholly targeted at those most in need, such as the homeless and people on waiting lists, he said. This would allow existing levels of Government funding and grant to go much further.

Mr Pretty added: "The Government-commissioned Barker Review stated that the social housing programme would have to be increased to at least 30,000 new properties each year and kept to that level for many years to come. Government projections are nowhere near that figure, nor will they meet the need. Our proposal, especially if given top priority in the planning system -- as I am also suggesting - offers a partial but simple and quick solution which would make a difference in almost every town and city across the country.

"At the moment, housebuilders are expected to build a proportion of social housing on many developments, especially in southern England where the need is greatest. These are sold in bulk at discounted prices to housing associations, which offer them mainly for rent and shared ownership and largely pay for them with Government subsidies and grants - funding which this year will total around £1.5 billion," he said.

“Under my proposal, which brings low-cost sale into the equation, housebuilders would, instead, undertake to sell a proportion of homes on new developments at dramatically less than market price to key workers nominated by local councils. These are people who desperately want to get on the home-ownership ladder as early as possible in their careers but currently cannot afford to do so. Their only option at the moment is the very limited Key Worker Living subsidies offered through specified housing associations.”

He said that under the new scheme, homes sold directly to key workers would in future have to be sold to other key workers with a similar discount against prevailing market value. This would prevent re-sales for quick profit.

Mr Pretty added: “My proposal is an opportunity for housebuilders to work in partnership with the Government to make a real start on sorting out a social housing crisis that’s getting worse and will not go away. Quite apart from this, the shortage of key workers in all of our towns and cities is seriously affecting the impact of public sector investment right across the country.

“The Chancellor’s newly-announced shared equity scheme is yet another acknowledgement of the scale of the problem. However, the difference between the Chancellor’s new scheme and our proposal is that ours comes at no cost to the taxpayer.”

Barratt is Britain’s largest housebuilder which last year built over 14,000 new homes nationwide. The company is an industry leader in social housing provision, building over 1,300 homes for rent, shared ownership and special needs last year, more than any other housebuilder. This year, Barratt expects that figure to rise to 2,000.

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23rd May 2005

NOTE TO EDITORS: Further information: Robert Barlow, RBC - 01440 783636.

Images of David Pretty and relevant Barratt developments are available to the media free of charge at www.barratt-investor-relations.co.uk



BARRATT

Britain's Premier House Builder

PRESS RELEASE

10,000 COUNTRY STARTER HOMES COULD BE BUILT IN 3 YEARS

Barratt proposes first-time buyer homes in every village in Britain to ease rural housing crisis

Local authorities across Britain should identify up to two acres of land in every rural town and village exclusively for building new first-time buyer homes, says Barratt, Britain's leading housebuilder.

The move could produce at least 10,000 starter houses and flats within three years, making a massive impact on the rural housing crisis and re-invigorating fading country communities, said Barratt Group Chief Executive David Pretty.

"Almost everyone is agreed – the Government, local councils, conservationists, environmentalists, housebuilders and most commentators – that there is a rural housing crisis which is preventing local first-time buyers getting onto the home ownership ladder and, as a result, is contributing to the slow death of too many rural communities. This is a practical answer to a very real problem," he said.

Mr Pretty believes that most villages and towns have land within their Local Plans which could easily be identified and designated for affordable first-time buyer homes, such as one and two-bedroom houses and flats.

"Some may be redundant agricultural or industrial land, some may just be unused and in a suitable location. Some may be redundant council land, like old depots or yards, and some may be privately-owned, perhaps neglected or unsightly. If such land can be identified as suitable, it should be acquired for a fair market price – using compulsory purchase powers if necessary – then designated for first-time buyer housing and fast-tracked through planning," said Mr Pretty.

"A site or small group of sites up to two acres could put around 35 to 40 starter homes in every town and village in rural Britain. These would be enough to give local young people and key workers who need to live in the area a start on the housing ladder, yet this would not put the general infrastructure under strain as would undoubtedly be the case with larger-scale development."

If planning applications for these sites were then fast-tracked through the planning system, as Mr Pretty has already suggested, the proposal could result in over 10,000 new country starter homes – equivalent to over half the current annual output of affordable housing by Britain's housing association movement.

He said the resulting new homes could be marketed in a number of ways – either through standard housing association low-cost home ownership schemes, through direct or discounted sales from housebuilders, or even via new kinds of partnerships with local authorities or rural bodies. The important thing, he said, was producing rural homes at affordable first-time prices.

"For rural communities to survive, they need sustainable economies, and new people coming into home ownership in our country towns and villages are crucial to that" said Mr Pretty, a leading figure in housebuilding for over 25 years and a member of the Government's Sustainable Buildings Steering Group.

"By designing them to fit in with the culture and atmosphere of local communities, the new homes would be welcomed. And by incorporating the latest design and eco-standards, this new rural housing drive could also be one of Britain's first really large-scale sustainable building programmes. The possibilities are tremendous" he said.

David Pretty's rural housing plan is part of an 18-point programme of suggested reforms recently presented to the Government, calling for more protection for core Green Belt areas, more brownfield development and the fast-tracking of brownfield planning applications.

Suggestions also include expansion of the definition of 'affordable' housing to enable builders to sell at substantial discounts to young buyers and key workers, increasing the Government's existing national 'brownfield' targets, as well as sweeping improvements to the planning system.

Mr Pretty said: "The Government is calling for more homes, more social housing, more urban regeneration, more training, more innovation and better design – and we at Barratt are delivering on all of those fronts year after year. But the industry as a whole could do so much more if the consistent obstacles to building more homes were cleared away and the planning system overhauled. There is no shortage of Government commitment and awareness of what needs to be done and I am encouraged by the genuine political will to make improvements.

He added: "The stark reality is that our national housing problem is getting worse, not just in towns and cities but in the countryside as well. My rural housing proposal is quite simple and straightforward, so it doesn't require a seismic shift. However, with decisive action, it could make a big difference in a relatively short time. We really do need to get on with the job."

END

1st February 2006

Images of David Pretty are downloadable free from www.barratt-investor-relations.co.uk

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Notes for Editors: Full 18-point list of Barratt's suggestions to increase housing provision is available upon request from the Press Office, see above.