

## **BARKER REVIEW & LAND USE PLANNING OFFICER RESPONSE FROM THE NORTH WEST REGIONAL ASSEMBLY**

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### **Introduction**

This paper sets out an officer response from the North West Regional Assembly (NWRA), which is the Regional Planning Body for North West England designated under the Planning and Compulsory Purchase Act 2004 as the statutory body responsible for advising the Government on strategic planning and transport issues.

The North West Regional Assembly produces the Regional Spatial Strategy (RSS) for the North West of England; the spatial context for the development of the region, including economic development. The content of the RSS is informed by the views of stakeholders, including the Regional Development Agency and the wider economic community in each region. The Regional Assembly works closely with the Northwest Regional Development Agency (NWDA) in the preparation of the Regional Economic Strategy for the region, ensuring that the two documents are complementary.

### **Responses to Detailed Questions Raised**

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

The planning system is a potentially flexible tool, that is essential to ensuring a balanced approach to growth that is in the overall interest of society. The planning system enables a range of issues to be taken into consideration in determining the scale and distribution of future housing and economic growth. Delivering sustainable development requires due account to be taken of economic, environmental and social considerations. The planning system has evolved over time to enable these issues to be taken into consideration within an open and democratically accountable arena. However, economic, environmental and social conditions and aspirations vary across the country – a system which is overly prescriptive in responding to one type of situation (such as steering and accommodating sustainably market- driven growth in the South East) may not be appropriate in another (such as stimulating urban renaissance to create market growth and competitiveness in Midlands and Northern conurbations).

The proposition that the planning system should respond more explicitly to the demands of the market is one that challenges the fundamental principle of planning; namely that it should help influence and direct future growth in order to encourage a more sustainable pattern of development. The planning system should be informed by the market; it should not be controlled by it. A planning system that gives undue weight to any one particular factor will inevitably compromise the delivery of broader policy objectives set out a national level. It will also give rise to tensions within society that will ultimately serve to slow down the delivery of planned levels of growth.

Planning for, and delivery of, growth is influenced by a wide range of factors which extend beyond the mechanics of the planning system itself. Annex 1 of the ODPM's inception report into "Spatial Plans in Practice: Supporting the reform of local planning" (published in February 2006) identified a number of factors that may affect performance in plan making. These included political consensus, economic conditions and spatial development geography

The reforms introduced in the Planning and Compulsory Purchase Act 2004, give a lot of flexibility and scope for responsiveness in reaction to changing international, national, regional and local circumstances. Further significant change to the system at a regional level is not required at this point in time. What is required is a period of stability to allow the “new” system to be implemented. Given the quasi-legal processes associated with both the RSS and LDF processes plus the legal requirements under SEA and Habitats Directives – mean that the plan-making process does take time to progress through preparation.

The key challenge remains translating planned levels of growth into delivery on the ground. Work in the regions associated with the development of the first round of RSS is already demonstrating the ability of the planning system to bring forward new and innovative delivery mechanisms. There is no clear evidence that there is a need for further fundamental reform of a planning system that is still settling in.

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

The Regional Planning Body is required to ensure that the Regional Spatial Strategy integrates land use policies with other policies and programmes. This approach ensures that land use policies deliver wider spatial objectives, including objectives relating to economic development.

The evidence to date is that public policy objectives at a regional and local level are increasingly well aligned. This is due, in part, to the development of strong partnership working arrangements at these levels. However it has been supported through the use of a common evidence base and the availability of over arching sustainable development frameworks at the regional level (commonly known as either Integrated Regional Frameworks or Integrated Regional Strategies).

It remains a source of tension within the planning system that public policy objectives are not as well aligned at the national level. There remain significant tensions between the objectives of individual departments. As a result, one of the main functions of the planning system at the regional level continues to be to try and reconcile these different national perspectives. Not only is this challenging, but it is arguable that it can only be addressed at a national level by Government in the form of a national spatial strategy within which Regional Planning Bodies can then operate with greater certainty.

Such an approach would have the added advantage of helping to ensure that the RSS do not become too detailed or cumbersome in their content. In order to realise the true potential of the RSS it is essential that it does not become a “planning encyclopaedia”, but instead clearly articulates regional and sub-regional priorities.

Aside from the lack of a national spatial strategy, the current system allows for plan-making at different levels to minimize duplication, provide clarity and consistency whilst still reflecting different local/regional circumstances in emerging policies with LDF’s and RSS. In preparing Draft RSS for the North West<sup>1</sup>, we have sought to ensure that policy is strongly bedded within an implementation framework taking into account sustainable development principles.

**Question 3: Sustainable development is the core principle underpinning planning. Does the current system achieve the right balance between economic and other goals, such as the regeneration of areas and the promotion of social cohesion,**

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<sup>1</sup> “The North West Plan - Submitted Draft Regional Spatial Strategy for the North West of England” North West Regional Assembly, January 2006  
- See [http://rpg.nwra.gov.uk/uploads/rpg\\_docs/rp\\_kMqZ\\_Submitted\\_Draft\\_Regional\\_Spatial.pdf](http://rpg.nwra.gov.uk/uploads/rpg_docs/rp_kMqZ_Submitted_Draft_Regional_Spatial.pdf)

**improving the quality of design of buildings and urban environments, and the protection and enhancement of our natural and historic environment? Are some environmental, natural resource, or social considerations given too much or too little weight?**

An underlying theme of the review appears to be that the planning system should respond speedily and efficiently to the market. This is an overly narrow view of the role of the planning system and ignores the underlying importance of ensuring that economic development takes place within a broader framework that also delivers wider community benefits.

The planning system is only one aspect of a much broader system of processes and systems that need to be co-ordinated in order to deliver planned levels of growth.

As currently framed, in some quarters there are concerns that the principles of sustainable development are not fully integrated into the planning system. However in preparing Draft RSS for the North West we have sought to ensure that Sustainable Development is at the heart of the RSS. In doing so, we have been able to take on board regional economic growth and regeneration aspirations<sup>2</sup> whilst ensuring social and environmental goals are met<sup>3</sup>. Therefore there is no need to change the current system in this respect

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

No response

**Question 5: What is the impact of planning on encouraging or impeding business investment? In this context, how would you assess the potential of recent reforms to the English planning system, which are now being implemented? Are they increasing the transparency of the system and providing greater certainty for businesses? What further reforms, if any, are desirable in order to improve the transparency and effectiveness of the system still further?**

The current system has a high degree of transparency and best practice in both LDF and RSS preparation and is going well beyond minimum legal requirements. As part of the preparation of Draft RSS for the North West, the Assembly has used online web-based consultation to engage with stakeholders at Issues paper, Strategic Options paper and pre-submission Interim Draft Policy stages. On completion of each of these stages we publish the full transcript of all submitted responses on the website allowing anybody full access to what has been formally submitted<sup>4</sup>.

<sup>2</sup> Preparation of Draft RSS for the North West has taken into account the findings of the North West Household Growth Estimates Study commissioned by North West Regional Assembly; and undertaken by Nathaniel Lichfield & Partners in conjunction with Deloitte and David Cumberland Housing Regeneration Company. See [http://rpg.nwra.gov.uk/uploads/rpg\\_docs/rp\\_YGOa\\_NW\\_Household\\_Growth\\_Estimates\\_.pdf](http://rpg.nwra.gov.uk/uploads/rpg_docs/rp_YGOa_NW_Household_Growth_Estimates_.pdf). The aim was to develop an approach to establishing the scale and distribution of new housing taking into account:

- Recent data sets including Census 2001, 2003 population projections, etc
- Base number of households (Census 2001) adapted using 2002 household and household size projections to provide the number of households in 2003.
- Household size (Census 2001)
- Migration flows both international, inter-regional and intra-regional (including 2001 Census/NHS Patient Register data)
- The economic growth aspirations of the RES and other sub – regions, as set out in the NWDA economic scenarios
- Employment Rates 2002/2003 (ONS: Region in figures Winter 2004/05)
- Levels of concealed and sharing households as well as homelessness
- The relationship between current socio – economic factors and housing need
- Chelmer model (Forecasting model – population, households, migration and labour supply)

<sup>3</sup> In addition economic development policies within Draft RSS for the NW were informed by the outcomes of “Regional Employment Land Study” undertaken in 2005 by Ove Arup and Partners on behalf of the North West Regional Assembly (see [http://rpg.nwra.gov.uk/documents/index.php?group\\_id=111&expand=102](http://rpg.nwra.gov.uk/documents/index.php?group_id=111&expand=102)). This did not just look at quantity, but also at the quality of sites including issues such as policy conformity, public transport accessibility, amenity considerations of adjacent occupiers, levels of deprivation, flood risk and environmental constraints.

<sup>4</sup> For more details see “The North West Plan - Pre-submission Consultation Statement” North West Regional Assembly, January 2006 - See [http://rpg.nwra.gov.uk/uploads/rpg\\_docs/rp\\_isln\\_Pre\\_Submission\\_Consultation\\_St.pdf](http://rpg.nwra.gov.uk/uploads/rpg_docs/rp_isln_Pre_Submission_Consultation_St.pdf)

This has been possible due to the use of e-governance. However given tight timescales for RSS preparation it is not possible to provide a detailed rebuttal response to each comment showing how they were taken on board in drafting RSS. In addition we have faced calls from some quarter to produce very detailed technical explanation of every possible policy option or interaction considered. This type of work is very resource intensive and time consuming and diverts resources away from speedy policy preparation. Therefore any moves to increase transparency must not be at the expense of more process bureaucracy which slows down the overall time scale to prepare a review RSS/LDF's.

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

The RSS forms part of the Statutory Development Plan and is subject to an extensive and rigorous process of independent testing in the public arena. The Regional Economic Strategy provides the context for economic development within a region. If the emphasis of the review is to examine how the planning system can facilitate economic development the logical conclusion is that there is a need to focus on how the economic content of the RSS can be enhanced. Establishing the need for economic development within the Statutory Development Plan is critical to improving the delivery of the spatial component of the RES.

In preparing Draft RSS for the NW, the Assembly has developed very good and close working arrangements with the North West Development Agency staff working on the North West Regional Economic Strategy. This has ensured there is a close alignment between strategies. This has been achieved by a variety of means including – commissioning joint research e.g. on Casinos, using shared economic evidence base for future economic growth scenarios, which in turn under-pinned work in housing provision figures; joint work on regional transport priorities; joint work on employment land requirements; and joint work on policy writing for specific policies e.g. Regional Investment sites, Regional Parks. We have also sought to ensure that sub-regional elements of RSS are closely aligned with emerging City Region Development Programmes as part of the Northern Way initiative.

The key to ensuring delivery of the RSS is to ensure that the Implementation Plan, which forms an integral element of the RSS, provides a clear framework within the decisions of delivery agencies and regulatory bodies can be co-ordinated to facilitate efficient and effective delivery.

The experience gained in the development of the advice on regional funding allocations has demonstrated the strength of existing regional partnerships and the ability of stakeholders to achieve consensus on investment priorities. Moreover it has demonstrated the influence that other areas of public sector policy, such as learning and skills, have on successful delivery of planned growth.

Further work is required to ensure that there is a much clearer link between spatial planning and implementation, particularly in terms of public sector decisions. It is evident that a number of high spending public sector bodies fail to understand fully the potential and significance of the planning system in terms of supporting delivery of public sector policy objectives.

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

One of the key points to bear in mind with regard to the delivery of major proposals is that time spent in pre-application discussions is rarely wasted and can help reduce the timescale at later stages in the process.

Regional Planning Bodies have undertaken extensive programmes of public consultation and engagement in the development of their RSS. While such an approach is time consuming it provides the opportunity to establish the need for proposals of strategic significance at a much earlier stage in the plan making process. This will, ultimately, speed up delivery of strategic proposals as they move forward through the planning system.

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

No response

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

No response

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

No response

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

The question is raised as to what extent the planning system effectively supports innovation. In our experience the planning system does not obstruct innovation, but it is also difficult for it to support it directly. In providing a strategic planning framework for 20 years it is not possible to identify a programme of investments in key sectors with a high degree of certainty. Indeed such an approach would be counter productive to encouraging innovation.

The Implementation Plan component of the RSS provides the context for identifying problems and issues that need to be addressed in order to create the conditions in which innovation might prosper. By providing the basis for the actions of a wide range of stakeholders to be co-ordinated, the Implementation Plan has the potential to enable a positive climate in which economic investment can be brought forward.

As part of our work to ensure alignment with NW Regional Economic Strategy, the Draft RSS for the NW has promoted a number of regional investment sites which support the formation of business clusters e.g. knowledge economy within Manchester. However, it should be borne in mind that not all business clusters will specifically located close to each other. Virtual business clusters can also operate very successfully in today's work e.g. Aeronautical industry operations in North East Wales and North West England.

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

An issue that continues to cause concern across the country is the availability of experienced planning staff at all levels in the planning system. There is probably a case for Government taking further direct involvement in bringing forward measures to improve this situation.

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

Engaging with representatives from the business community and especially the SME sector continues to be very difficult to effectively achieve in the spatial planning process. At a regional level, many business interests are reluctant or unable to spare the time, even though specific measures were put in place to try and engage with the business sector as part of the NW RSS process – including targeted workshops. This may reflect the general issue of how to generate interest amongst the wider community (including individuals and voluntary sector) in required spatial planning issues, which are not specific to a particular locality or site.

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

No response

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

Planning can strengthen economic performance in regions and sub-regions by seeking to ensure economic opportunities are promoted provided they are located in sustainable locations. In doing so though the emphasis must not be an economic development at all cost. The principles of sustainable development must continue to underpin the planning system. However, planning can ensure that spatial planning policy supports realistic economic growth aspirations. Policy must not be solely focused on meeting existing trends; it must seek to address realistic policy aspirations and interventions to address urban and rural regeneration and social inclusion issues.

Draft RSS for the North West has supported this by ensuring that the scale of housing provision and its distribution supports the economic growth of the North West in line with the overall aspirations of the Regional Economic Strategy and the Regional Housing Strategy. Draft RSS seeks to focus development in those locations, which are the key future economic drivers of the regions economy, whilst also taking account of:

- regional development framework, sub regional policies and sustainable development principles embedded within RSS;
- impacts of economic growth scenarios on household growth and its distribution across the NW;
- need to address regional and sub regional disparities;
- future supply constraints;
- impact on existing housing markets and stock especially in those areas identified in Policy L3;
- need to support regeneration;
- need to provide affordable housing;
- need to sustain rural communities; and
- In this respect the majority of new housing will be located in the 3 City Regions.

**Conclusion**

A further fundamental review of the planning system is inappropriate at a time when the most recent reforms are still bedding in. Indeed, experience demonstrates that such reviews inevitably create uncertainty and ultimately led to a hiatus in planned growth being delivered. The Government's own "Spatial Plans in Practice" project is designed to assess how the new planning system is being put into practice and how the changes are helping to achieve the Government's objectives. This project is scheduled to run until December 2007 and is likely to provide answers to many of the questions raised by the terms of reference for this review.

There is a real concern that the terms of reference for the review are too narrowly drawn and exclude consideration of other dimensions critical to the delivery of housing and economic growth.