

24 March 2006

Carmel Howard  
Barker Review Team  
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Dear Ms Howard

**Re: Barker Review of Land Use Planning**

We are grateful for the opportunity to comment on this current review and wholeheartedly support the Government's desire to improve the efficiency of the planning system.

Our replies to the questions posed in Annex 1 of the consultation document are attached. We would also like to make some general observations, which we believe should be considered:

- Following the introduction of new legislation and special planning policies at the local and regional level, existing arrangements are still in a state of flux. It may be therefore premature to consider comprehensive review until the changes already introduced have had a chance to settle down.
- The drive towards partnership and community involvement is wholly supported. This however can result in unnecessary delay as issues of principle can be raised time and time again at each stage of the planning process from preparation of the regional plan to the drafting of the Local Development Framework, masterplanning, outline and full planning application stages.
- The recent changes in planning which gives additional weight to the views of special interest groups, can actually undermine local democracy whereby elected representatives make decisions on behalf of the community they represent. Their performance is judged at election time. We recognise that some local interest groups are broad based, well supported and reflect genuine local concerns and opinion however others may reflect a very small and vociferous minority.
- The Government should prepare a series of strategies which address issues and establishes policy at a national level to enable local decision making to proceed on the basis of the local issues arising, rather than being bogged down discussing strategic issues on matters of national policy at local public inquiries. This will be particularly important if the

Government is considering major new power stations, airport expansion and similar major infrastructure proposals.

- The possibility of reducing the work load on local planning authorities by for example transferring the majority of householder applications to Building Regulations control only should be seriously considered.
- Further efficiencies can be achieved by following the example of the London Borough of Tower Hamlets and creating a two-tier planning committee structure. A high level committee of senior Members deals with major applications, considered to be of strategic importance, and a separate committee, with a broader representation of local Members for the locally important applications. The scope for officer delegated authority for applications in accordance with policy should also be broadened.
- The additional demands placed on local planning authorities through the introduction of increasingly complex technical policy requirements is imposing burdens on those authorities that can hardly manage the existing workload. It is therefore recommended that consideration be given to rationalising the boundaries of local planning authorities, by amalgamation. This would enable the creation of larger authorities in which planning departments can exploit the economies of scale and optimise the use of scarce resources such as planning, environmental impact assessment, energy conservation and transport planning.

We look forward to seeing the outcome of this consultation and the review itself and would be pleased to contribute further if that would be helpful.

Yours sincerely



**Howard Sheppard**  
Canary Wharf Group

## Annex 1

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?*

**A.** We agree that the planning system as currently operating does have sufficient flexibility given that as developers we also seek certainty. The present problem in the planning system is however due in part to the lack of continuity and the general shortage of qualified staff. Staff turnover in planning departments seems to have increased to such an extent that temporary staff are often appointed, many of who have little local knowledge. Also where consultants are appointed to manage planning case loads, they too rarely have local knowledge which adds delay and can lead to inconsistencies.

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?*

**A.** We agree that the emerging system is in principle at least clear. It is important however to distinguish between what is statutorily required and what is only advisory. It is not unusual for zealous planning authorities to seek to apply advisory guidelines as though they were statutory requirements. There is a danger as well that with too many plans and policy constantly changing, complications arise in determining precisely what the appropriate policy guiding planning decisions should be. One imagines that at an appeal discussion to identify the correct policies to apply might consume a disproportionate amount of time.

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, 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?*

**A.** While we believe the balance between economic, social and other environmental considerations is currently about right it is important to

ensure that in achieving satisfactory development, issues are considered at the correct stage and issues once dealt with should not be continually revisited (see also our covering letter regarding special interest groups). If a principle is established at one level it should not be questioned at the next.

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?*
  - A. While we understand that planning in France can often be bureaucratic and centralised once a decision is made the principle is rarely, if ever, revisited and implementation focuses on delivery and local issues. A case in point is the development of the TGV high speed rail system which we understand took some while in preparation but having made the decision some 25 years ago the network was then implemented extremely efficiently.

At the other end of the scale we understand that in Spain householder applications, which absorb a huge amount of resource in UK planning departments, are dealt with under the building regulations. That seems sensible.

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?*
  - A. Business needs certainty. Critically in developing areas investors need to be certain that the infrastructure necessary to support that investment will be provided. Also developers should have the confidence that if they follow policy their planning permission will be approved without the necessity or threat of a public enquiry.
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?*
  - A. We believe that the system is beginning to work in London. As the London Plan is adopted by the boroughs, in the preparation of their LDF's, land use planning is becoming integrated with the Mayor's economic strategies. We offer no comment as to the efficiency of the planning system elsewhere.

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?*

A. We accept that major projects do require careful consideration. Nevertheless we believe that currently it is too slow. We are not however arguing that it should be speeded up by implying that important planning applications should be rushed. For example there should be a requirement on consultees, particularly statutory consultees, to be consistent in their comments between pre and post application consultations and respond clearly and promptly according to current policy. We fear that there are too many ad hoc decisions with policy being made on the hoof by individual officers and officials.

As noted in our covering letter we think Local Planning Authorities should consider major applications in a different forum to that which deals with the majority of applications. Many of these “local” applications can be very contentious and create an adversarial climate, which is not conducive to objective deliberation. We suggest that a high level committee of senior Members deals with major applications, considered to be of strategic importance, and a separate committee, with a broader representation of local Members be convened for the locally important applications.

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?*

A. There is a deep concern about the increasing demand for supporting information such as Environmental Statements, which are becoming larger and larger, for smaller and smaller applications and add little value to the process. This information is both costly and time consuming to prepare. Only if “Schedule 2 Projects” are likely to have a significant effect should an Environmental Statement be necessary but local planning authorities require them if there is any doubt at all. Also many developers are on the side of caution to avoid legal challenge. To address this it would be extremely helpful if Government would clarify, and make more precise, the definition of “Urban Development Projects” in Schedule 2 of the Regulations.

Also developers are normally reluctant to go to appeal not only because of delay but also cost. This could be reduced if policy and guidance were more clearly defined and applied constantly by local planning authorities.

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?*
- A.** The integration of land use planning with economic strategy is crucial in minimising occupational costs due to planning. However these costs are a relatively small component of commercial business costs. Much more significant are staff costs, supporting services and technology. Skill shortages can drive up costs very significantly and adversely impact on productivity and efficiency.
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?*
- A.** The conventional developers' response is to argue that planning delay drives up costs. While there is obviously some validity in this (as noted elsewhere in this submission) we have no evidence that the existing system (at least in our part of London) contributes disproportionately to cost escalation.
11. *To what extent does the planning system effectively support innovation through fostering the formation of business clusters and wider agglomeration of economic activity?*
- A.** The London Plan is we believe a good example of business clusters being supported and these policies are reflected in the relevant Local Development Framework such as that for the London Borough of Tower Hamlets.
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?*
- A.** The lack of skills and staff resources is probably the most important single issue that currently needs to be addressed. As noted in our covering letter, a comprehensive review of Local Planning Authority boundaries is necessary. In London 33 separate local authorities create a huge burden on the public sector. We think that significant savings in time and money could be achieved by reducing the number of boroughs. The net result would be that the specialist skills necessary to deal with the increasingly demanding legislation and policy directives can be utilised more effectively. Currently these skills are spread too thinly and many boroughs cannot recruit the specialist skills necessary and have to rely on consultants. This is not only costly

and time consuming but as noted above means that continuity and local knowledge are not developed.

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?*
- A.** The principle of stakeholder engagement is supported. There is concern however that in the plan making process, their views are not given adequate weight. Understandably local councillors are concerned about the views of their residents who after all vote them into office but there is a danger that as a result the views of businesses in the area may be given less weight.
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?*
- A.** It seems to us that the most important incentive for local authorities and the communities that they serve is that they see some benefit from the investment that planning permission can deliver. Consideration therefore should be given to planning gain (planning gain supplement or a tariff) and or the business rate being directed to the local authorities rather than paid directly to Government.
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?*
- A.** We believe that the model for Greater London, with a directly elected Mayor with planning powers (as is currently under consideration), is a model that could be considered for other core city regions elsewhere in the country. Many of the core cities are succeeding in attracting businesses and people back. Ray Mallion, Mayor of Middlesbrough in "Regeneration" magazine, 25<sup>th</sup> February 2006, advocated the merger of Middlesbrough, Stockton and Redcar into a single Teesside authority. Creating city-regions just as has occurred in London seems sensible. A strategy elsewhere in the country that is based on the core cities rather than the "regions" therefore seems to offer great potential.

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