



Working towards *Natural England* for people, places and nature

H.M. TREASURY CALL FOR EVIDENCE 24th JANUARY 2006

BARKER REVIEW OF LAND USE PLANNING

RESPONSE FROM ENGLISH NATURE, THE RURAL DEVELOPMENT SERVICE AND THE COUNTRYSIDE AGENCY (LANDSCAPE, ACCESS AND RECREATION)

Natural England

1. A new organisation – *Natural England* – is being created with responsibility to conserve and enhance the value and beauty of England's natural environment and promote access, recreation and public well-being for the benefit of today's and future generations.
2. The creation of the new organisation, *Natural England*, has already begun, with English Nature, the Landscape, Access and Recreation division of the Countryside Agency, and the Rural Development Service working together as partners. This natural partnership is delivering joint outcomes and paving the way for *Natural England*, whilst continuing to deliver their separate and respective statutory duties:
 - **English Nature** is the independent Government agency that champions the conservation of wildlife and geology throughout England.
 - The **Rural Development Service** is the largest deliverer of the England Rural Development Programme and a range of advisory and regulatory rural services.
 - The aim of the Countryside Agency's **Landscape, Access and Recreation** division is to help everyone respect, protect and enjoy the countryside.
3. This evidence has been produced jointly by English Nature, the Rural Development Service and the Countryside Agency's Landscape, Access and Recreation division ("The *Natural England* partners") who are working to create *Natural England*, a new agency for people, places and nature, and has been agreed by the Natural England senior executive team.
4. This response to the ODPM consultation is structured around the specific questions posed in the consultation document. Comments are provided only for those questions which are considered relevant to our remit.

Key messages.

There is no need to review the overall approach of the new planning system. The balance between protection and flexibility was debated through the process of



Working towards *Natural England* for people, places and nature establishing the new system. The new system is still bedding down and we need to give it time to demonstrate its impact.

Leadership is an essential element of the new system. It depends on positively building partnerships to deliver sustainable development, its overall purpose, by securing the right developments in the right place at the right time. Leadership includes being sensitive to signals of changing needs and pressures and responding to them. The new planning system can accommodate this. Leadership includes ensuring all the associated infrastructure and services are in place at the right time, and that areas remain attractive and able to support competitive economies. Their environmental image and quality is an important element of this alongside other factors such as the transport system, the education system, the health system and the quality and choice of housing. Plan led systems can ensure all these are in place.

Business looks for certainty as much as low cost for longer term investments that respond to new opportunities. The new planning system can help deliver some certainty by engaging businesses early on in the process and ensuring environmental issues are addressed and do not become issues that are identified late in the process when they are likely to be more costly to address. Equally business looks to continuity in the quality of other aspects that are important to their choice of location for investments, and plan led systems can provide this security.

The review should not revisit the overall design of the current planning system, but focus on what is needed to realise its potential to deliver sustainable development.

5. General points

- 5.1 The *Natural England* partners welcome the opportunity to provide evidence to the HMT January 2006 review of land use planning in England by Kate Barker, which focuses on better delivery of economic growth and prosperity alongside other sustainable development goals. The 2005 review of housing by Kate Barker had a strong socio-economic focus, and gave very little consideration to environmental issues. We hope that this review redresses that balance, and recognises the positive contribution of the environment to economic growth and prosperity, and the crucial role of the planning system in its protection and enhancement.
- 5.2 We are concerned by the timing and emphasis of the review, which comes so soon after a period of considerable debate and consultation and ensuing change in the planning system. The consultation seems to be based on concerns that the planning system is a factor in delaying legitimate business aspirations, and that steps need to be taken to ‘sort out the planning system’. The new purpose of the planning system, to deliver sustainable development, set out in PPS1 represents a very important and positive change in emphasis. The recent reforms to the planning system are still bedding down, and must be given time to work. This particular review must add value to that change process and not delay or set back the positive progress that is being made. It must not weaken the improved protection for the environment achieved through PPS1 and PPS9 nor undermine the democratic legitimacy of the system.
- 5.3 We believe that economic growth and prosperity is encouraged by high quality development; that ‘high quality’ includes the efficient use of natural resources, minimising adverse environmental impacts, and the enhancement of the environment (e.g. through provision of high quality greenspace within development); and that an effective planning system is essential to achieve such high quality development. Although we are yet to see these considerations becoming the norm, we are encouraged by recent Government policy, for example as expressed in PPS1 and PPS9 and publications such as ‘Greening the Gateway’.
- 5.4 We believe that the natural environment should not be seen in narrow terms as an externality i.e. something not to be damaged by development, but as a positive good, which can bring long-term added value, and which is therefore worthy of more positive consideration and investment when planning for new development. The planning system is not about stopping necessary development, but about getting the right development in the right place.
- 5.5 In rural areas, even in protected landscapes, high-quality development can bring local sustainability benefits. Some economic development, for example for tourism and rural diversification, relies on a high-quality and healthy environment. There is a growing body of evidence in support of the value of the natural environment in contributing to economic growth and prosperity. Selected examples are given at *Annex A*.

- 5.6 The value of the environment is increasingly being recognised by Regional Development Agencies. For example the Regional Economic Strategy for the South East Region includes 3 relevant priorities; ‘Investing in the environment’ (to secure its contribution to a sustainable economy); ‘Securing sustainable land management’ (to provide the basis for a more prosperous future for the land-based sector) and ‘Achieve sustainable management of water, waste and energy’ (to break the link between economic growth and environmental degradation). Under an objective 'Sustainable Use of Natural Resources', the strategy states that: *"in order to achieve smart growth in the South East it is necessary to ensure that economic activity is not accompanied by environmental degradation. Instead we must recognise that investment in our environmental assets (natural, landscape and historic) is part and parcel of the infrastructure on which prosperity depends, including:*
- *provision of green space to support urban regeneration*
 - *creation of wetland to provide flood alleviation*
 - *reinforcement of character to support sense of place*
 - *landscape enhancement to promote tourism*
 - *woodland management to provide a renewable energy resource".*

- 5.7 Business has an important part to play in delivering sustainable development whilst striving to deliver economic growth and productivity, and these goals should not be in conflict. Any development, including that required by business, should now take account of resource impacts (notably energy and water use, use of land), environmental impacts and climate change. Business development could and should be at the forefront of a process of sustainable construction, leading by example, and reaping the benefits. The planning system has an important part to play in encouraging long-term efficiency and best practice, and ensuring that development is routinely ‘good enough to approve’ and not just the cheapest, fastest to construct, and thereby probably least sustainable option.

6. Specific comments on the questions posed in the consultation

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 new planning system is still bedding down. In principle it is flexible and responsive to changing economic circumstances, opportunities and pressures. This depends on effective local leadership that proactively seeks solutions that address the key environmental and community needs, and builds partnerships to deliver these. Local leadership also needs to build alliances to influence regional organisations to ensure they recognise the changes and adapt to accommodate them. The new planning system is sufficiently flexible and responsive in principle and we do not need to depart from a plan led approach to development to enable the UK to respond to changing economic circumstances.

Defining problem areas and establishing causes

- Q1.1 Despite recent positive developments, even the modernised planning system faces challenges in dealing with some of the major issues faced by society in the 21st century, notably climate change, the location of major housing and infrastructure growth, and the strategic planning of major development such as ports, airports, distribution centres and incinerators. As statutory consultees in the development planning system, we are also aware that some practical aspects of the planning system could be made more efficient, and that as they bed down, some of the recent changes have actually resulted in increased consultation burdens e.g. Strategic Environmental Assessment, Local Development Frameworks.
- Q1.2 Further change may therefore be needed, but we believe that much could be achieved through better working practices, and streamlining of processes, rather than through further major reform. In the following paragraphs we make a number of practical proposals for change which could be implemented within current systems.
- Q1.3 It would be wrong to introduce policy measures which weakened the plan-led system. The plan-led system has provided a firm basis for planning decisions, and is a great improvement on earlier practice where planning decisions tended to go in favour of whichever party could field the best legal team at inquiry. The Local Development Framework (LDF) system was designed to make the forward planning system more flexible and responsive to change but still provide for a firm plan-led system based on full community engagement. The LDF system must be given the opportunity to deliver the objectives Government intended.
- Q1.4 It is clear that planning departments are under considerable pressure at this time, with too few staff resources to cope with the level of change resulting from planning reforms, the introduction of SEA/SA, the move to e-planning etc. Statutory consultees (including NE partners) are also finding it difficult to cope with the increased volume of consultations (notably SEA/SA, but also LDF and RSS).

Recommended solutions

- Q1.5 In our experience as statutory consultees, a key factor which can delay planning decisions is the poor quality of many development proposals, and the absence of an adequate evidence-base on which consultees can provide meaningful advice to inform planning decisions. The aim should be for all applications to be ‘good enough to evaluate’, and ideally ‘good enough to approve’. This could be addressed through improved project and risk management by developers, who should recognise the importance of evaluating the environmental interests of development sites before submitting planning proposals. This may mean collecting biological and other survey information, and carrying out ecological and other appraisals at an appropriate time of year. The approach to the environment is set out in (Put in the publication on environmental quality in spatial planning)

- Q1.6 Following on from the preparation of such an evidence-base, pre-application discussions with local authorities and key consultees (such as the *Natural England* partners) would help to flush out any likely ‘show-stopping’ issues, and allow these to be addressed through further survey, redesign of development proposals, preparation of mitigation proposals etc. This essential (but often absent or weak) preparatory dialogue and follow-up work would lower the risk of delays to subsequent applications and increase certainty for developers at an early stage.
- Q1.7 It is important therefore that these processes are conducted to a good standard, and based on good up to date evidence and information on the state of the environment, and significant trends. This justifies long-term and sustained investment in reliable bodies of information to inform spatial planning decisions at all scales.
- Q1.8 Local authorities do appear to need further clear guidance on producing LDFs, which emphasises how LDFs differ from the more restrictive old style development plans, and that LDFs should promote sustainable development.
- Q1.9 If all components of the planning system are to play their part in delivering an efficient system which leads to timely and good quality decisions, then continued investment is needed in staff and other resources.
- Q1.10 There is a need for innovative approaches for developing, negotiating and agreeing large landscape-scale mitigation across authorities where significant environmental impacts will result from planned development, as is the case with some components of the Sustainable Communities Plan. Better processes are also needed for identifying and taking account of the often hidden cumulative effects of development. Research for English Nature by Land Use Consultants¹ has revealed the scale and challenges of these issues. For example near Guildford, the designated interests of the internationally important Thames Basin Heaths Site of Special Scientific Interest (SSSI) which is an Special Protection Area under the EU Birds Directive, are threatened by the resulting pressure from 25,000 homes due to be built nearby. Ground-nesting birds are likely to suffer adverse effects from increased visitor pressures, dog walking, heavier traffic etc. Mitigation could involve creating new areas of heathland on a large scale to take the pressure off affected areas, but the planning system finds it difficult to address such large scale and innovative solutions.

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

¹ See two related research reports, both prepared by Land Use Consultants: English Nature Research report 626 (2005) *Going, going, gone? The cumulative impact of land development on biodiversity in England.* English Nature Research Report 673 *A practical toolkit for assessing cumulative effects of spatial plans and development projects on biodiversity in England.*

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 new system links national, regional and local accountability effectively. Moving from a focus on control to ensuring effective integration of planning and non-planning policies and programmes has required significant effort to make the change. Encouraging positive leadership and enabling partial reviews to facilitate adapting plans to new circumstances will allow the system to respond to change. It is important that leadership and positive approaches to building partnerships to secure actual delivery of the required development is encouraged as the system learns from initial experience.

Defining problem areas and establishing causes

Q2.1 Local planning authorities are finding it hard to get to grips with the complexity of the process required to produce LDFs. The associated sustainability appraisal/SEA processes, are also adding to complexity and workloads for both planning departments and statutory consultees.

Recommended solutions

See comments on Question 6.

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, 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?

The system requires the identification of the key environmental, social and economic issues. It also allows priorities from national levels to be identified and addressed at regional and local level, and for more local issues to be integrated with these. This integration in order to deliver sustainable communities and to respect environmental limits is the core of sustainable development and the planning system is well placed to ensure economic development that supports this is actively secured. There is no imbalance inherent in the planning system.

Defining problem areas and establishing causes

Q3.1 Much of the protection from development given to the natural environment derives not from the planning system *per se*, but from other UK and European legislation (for example on flood protection, Habitats Regulations, protected species legislation). The planning system has to respond to this legislative framework, and take account of it as a material consideration in decision making. The review should focus on how the planning system takes this wider

legislative framework into account in ways that enable appropriate development.

Recommended solutions

Q3.3 The review could usefully investigate how to improve the way in which the planning system and the development industry deals with the wider legislation mentioned above when assessing development proposals. As we have set out at Q1.5 and Q1.6, business/developers could do much to reduce the risks of delay by adopting higher standards of practice in the preparation of plans that are 'good enough to assess' and 'good enough to approve'. Sustainable development is only achieved when community and environmental issues are identified and addressed alongside economic development.

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?

Many of the most successful cities and regions have high quality environments and actively maintain their cultural heritage and communities. We should aspire to the best and ensure we see our future as a highly developed society engaging with the wider global economy on the basis of high value added knowledge based businesses. We can gain confidence from the approach taken by the most successful OECD regions and cities that a strong plan based and politically led system leads to economic success and dynamism.

Q4.1 Many other countries have been influenced by the UK planning system, which was established at an early stage. The UK should however take account of innovations from other countries providing that they are applicable to a densely populated, highly developed, post-industrial society such as ours. It would be completely inappropriate to be influenced by the loosely regulated systems adopted in some rapidly developing countries such as China, which are suffering massive environmental degradation, and social divisions, and which are beginning to appreciate the need for an effective planning system.

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?

Defining problem areas and establishing causes

Given strong and visionary local and regional leadership the current planning system, by engaging forward looking businesses as well as other interests, can lead to more certainty and secure more support for the right business investments in the right place.

The key need is confident leadership that secures the confidence of business and other interests, including environmental interests.

- Q5.1 It is far too early to assess the full impact of many of the recent reforms. However, there is no evidence to suggest the new system impedes investment eg Audit Commission *The Planning System: matching expectations and capacity*. February 2005. It does place an onus on developers to engage at an early stage in the plan-making process and to ensure that, as a plan develops it takes account of commercial considerations. Again, the reforms should be aimed at increasing clarity over process, encouraging earlier engagement of business in the LDF process rather than changing a system which has only just been put into operation.
- Q5.2 The negative view of the planning system reflected by the tone of the consultation seems unbalanced, and fails to recognise the high volume of development which the system has consistently delivered, and the high quality of much recent regeneration. The planning system provides important protection for local environmental quality. Pressures on the natural environment and natural resources from a growing economy are already considerable, especially in the South and South East.
- Q5.3 The UK's Lisbon Action Plan, 2005 states² that: *“With the global economy set to expand by 40 per cent by 2015, driven in particular by strong growth in the emerging economies, significant pressures will be placed on global resources, particularly energy, and on the natural environment. This presents a serious challenge to governments, to businesses and to individuals. The Government is currently working towards a more integrated policy framework to conserve, enhance and manage the natural environment, to safeguard its value for people now and in the future. Central to this is a need to improve understanding of the value of ecosystem goods and services, their contribution to social and economic goals, and the costs of preserving them”*.
- Q5.4 The deregulatory tone of the review appears to favour a more liberal planning system, which is inappropriate given the aforementioned policy, and current pressures for housing and infrastructure growth, and which would be likely to lead to reduced environmental quality, security of access to ecosystem services such as water supply, and quality of life.

Recommended solutions

- Q5.5 Through its influence on infrastructure development, the planning system has a very positive role to play in supporting the needs of the economy, whilst at the same time delivering sustainable development. We have recognised in our submission to the Eddington Transport Study³ that locally distinctive, high-quality design should be an integral part of the transport network in the future. The demand for new infrastructure must be managed to deliver a range of

² UKs Lisbon Action Plan 2005, section 3.82 of ‘Protecting the environment through sustainable and innovative resource use’

³ Joint *Natural England* agencies submission to Eddington Transport Study 10th January 2006.

environmental and other benefits. We noted that the relationship between transport and land-use planning needs to change so as to minimise the need to travel.

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?

Where Regions have a RSDF or a common Integrated Strategy the RSS and the RES will be aligned through working to common objectives and priorities. The system gives sufficient flexibility to move towards coordination through adjusting the timing of reviews of RSS and RES to ensure they are mutually consistent and develop a shared evidence base where appropriate. This depends on the quality of regional partnerships and the strength of relationships. In many cases these are strong and the commitment reflected in public agreements such as the West Midlands Regional Concordat.

Defining problem areas and establishing causes

Q6.1 The interface between RES and RSS is where regional policy on the location of development needs to be resolved. However, the relationship between Regional Spatial Strategies (RSS), and the Regional Economic Strategy (RES), and with LDFs and planning decisions is interpreted differently by different authorities, and needs more clarity. The best solutions are where all the strategies are aligned with the framework for achieving sustainable outcomes in the environment.

Recommended solutions

Q6.2 The RSS and RES processes are each subject to SEA/Sustainability Appraisal which if properly conducted should identify any significant broad-scale (non location specific) environmental issues relevant to both strategies.

Q6.3 There is scope for better integration of the suite of regional, sub-regional and local planning and related strategy processes and their resulting documents (RSS, RES, LDFs, SA/SEA) and streamlined (shorter, clearer, more standardised) formats.

Q6.4 Some further explanatory policy steer appears to be needed to ensure that local and regional planning bodies have the same clear understanding about the interrelationships between RSS, RES, LDFs, SA/SEA and the role of the planning system in the proactive delivery of sustainable development.

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?

The new planning system encourages early engagement. Positive local leadership will identify the issues that need to be addressed by major developments as part of preparing the LDF documents and set out clear design requirements. Developers then know what needs to be included in their proposals and can engage the relevant stakeholders from the start. This means that the proposal presented for formal approval has addressed all the relevant issues and is fit for approval. Overall this will lead to improvements in the efficiency and effectiveness of the planning system and lead to the right developments in the right place to the right design standards and more certainty from an earlier stage for developers.

Defining problem areas and establishing causes

- Q7.1 There has long been an emphasis on speed in the development control system and there is nothing fundamentally wrong with this provided it is aligned to the other key requirement of business and that is certainty. That certainty can only be provided by a strong plan-led system embodied in LDFs.
- Q7.2 Speed should not compromise quality of decision-making, and more complex development proposals will inevitably take longer to evaluate. This should not be a problem for business if proper planning, risk assessment and site assessment has been carried out, and sufficient information provided in support of applications to allow them to be evaluated and thereby avoid delays. Developers who fail to take opportunities for early engagement with local authorities, and submit poor quality or incomplete planning applications, must expect a speedy refusal.

Recommended solutions

- Q7.3 Many developers are concerned that it is lack of resources in planning departments that is causing unnecessary planning delays. This review must consider how effective the reformed planning system could be if it was resourced optimally. Local authorities need to be capable of resourcing their planning service so that it allows scope for full pre-application engagement with developers. There is anecdotal evidence to suggest that some authorities are resisting pre-application negotiation because all their staff are tied up trying to determine planning applications.

See also recommended solutions given for Question 1.

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?

Provided the key issues are identified early on then the costs of meeting the requirements of the planning system remain a small proportion of the overall cost of development. The LDF stage should ensure what is required is clearly identified in the documentation, thus providing greater certainty for developers who will wish to know that their investments in preparing applications will lead to success if known issues are addressed. Leadership and early engagement with stakeholders is central to this.

Defining problem areas and establishing causes

Q8.1 The cost of preparing a planning application is relatively small in the context of overall development costs. In the past developers have been prepared to spend considerable resources contesting planning decisions at appeal. The thrust of the reformed planning system is that these resources should be front-loaded into the preparation of a development proposal. Having sufficient information to evaluate environmental impacts is absolutely critical and there are dangers in bowing to pressure to streamline this. It generally costs less to address environmental issues from the start than it does if they emerge late in the process and have to be addressed then.

Recommended solutions

Q8.2 Where streamlining could be beneficial is through early discussion over the critical information inputs. There is a tendency for consultants to provide clients and statutory consultees with voluminous environmental statements without first consulting local authority planning departments to discuss which information requirements are critical to a particular scheme. Streamlining could be achieved by greater front-loading without sacrificing critical information requirements.

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?

Occupation costs are influenced by a wide range of factors. It is unlikely the planning system is a particularly significant element in these. The new planning system could increase transparency and through this reduce any risk of individual companies using land acquisition as a tool to reduce competition.

Q9.1 It would be simplistic to argue that high occupation costs are a direct result of an over-constraining planning system or to argue that a less constrained planning system will reduce these costs. It is better to recognise these costs as a product of a complex range of factors but to also recognise that a more effective and efficient planning system can help ease some of these cost pressures.

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?

Q10.1 We do not believe the planning system significantly hampers competition. Full, unrestrained competition would be unsustainable in any case. The planning system is beginning to work well in sectors such as retailing, in restoring town centre vitality and economic diversity which is partly an end-product of a firm policy to restrain out of town retail development. This is helping sustain smaller independent retailers and influencing the behaviour of major companies in their choice of location.

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 importance of business clusters and agglomeration is recognised and will be incorporated in the RES and the RSS. Local Authorities will therefore recognise and understand their contribution to these and will include the need in the LDFs. The critical element then revolves around strong working partnerships with the RDAs to ensure coordinated investments in the infrastructure and support services for these clusters and a flow of business investments on them. The planning system can facilitate this, only effective partnerships can deliver it. Environmental resources will be addressed and limits recognised to avoid environmental costs increasing over time.

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?

The new planning system will improve the overall efficiency of the process by early identification of the issues, active engagement of all stakeholders and through this providing more certainty to the process and delivering proposals for formal approval that address all the requirements. Making the transition will require training, active leadership by Councils and probably more staff at least initially.

Defining problem areas and establishing causes

Q12.1 The key challenge to the effectiveness of the reformed planning system is a shortage of local authority planning staff. The shortage of skilled staff is a constraint on achieving a more proactive, inclusive, and effective system. The lack of enough, suitably skilled planning staff in local authorities is presenting a serious challenge to achieving the momentum needed to steer the planning system away from the former defensive, reactive approach to planning towards a more proactive, inclusive and enabling one.

Recommended solutions

Q12.2 Recognising the value of the planning system, and ensuring the sustained investment of resources in staff, training and systems to realise its benefits is essential.

Q12.3 Statutory consultees have also found it difficult to find the resources to respond to the recent changes to the planning system, as consultation workloads and complexity have increased. This needs to be recognised and reflected in departmental budgets.

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?

In principle the new planning process can engage all the interests. Where the economic strategy explicitly includes securing growth through existing SMEs the process will need to include ways of bringing them into the process. Growth of SMEs is a key challenge of the wider economic strategies in any event, and partnerships with others providing business support services to these firms can reach them more efficiently and with less burden for individual firms.

Q13.1 As yet there is little evidence on which to assess this question. However, barriers to engagement will again be staff resources, which will present more of a challenge to SMEs than to larger organisations. Planning authorities should take an approach similar to that required to better engage the full community which might need more proactive engagement with industry.

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?

The new planning system can address this through the required participation. Leadership is essential with a clear vision for the way an area can develop and retain its character and support a sustainable community. Economic development is an essential part of this alongside other factors. The links between Regional and Local plans ensure national priorities are given due weight in the process.

Q14.1 This question appears to contradict government advice on S106 obligations that planning permissions should not be 'bought or sold'. It would be a highly retrograde step to consider developer incentives to pave the way for unsustainable developments. This question could perhaps be re-phrased to recognise that economic development is essential, and that this will have impacts, both negative and positive, on communities. It is reasonable to explore better ways by which developers can contribute to measures which address these impacts and contribute to overall sustainability objectives. The Planning Gain Supplement proposed by the Barker review of housing, and which is under development by HMT and ODPM is a relevant mechanism.

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?

Successful regeneration depends on creating an environment that attracts economic investment. There are many factors that shape this, which include being able to attract and retain staff. This is influenced by the overall quality of the environment, access to a wide range of services as well as employment opportunities. Good planning will also ensure environmental resources are identified and do not become limitations in future, leading to increased costs and constraining options for growth.

Q15.1 The role of an effective planning system should not be overlooked in achieving some of the urban renaissance successes of recent years. It is doubtful if this would have been achieved by market forces alone. The planning system should aim to repeat these successes more broadly, for example by re-vitalising areas beyond the city centres and improving inner city environments. It needs to foster mixes of uses and economic opportunities.

Q15.2 The problem in the more widespread achievement of these benefits across England is the strong dominance and ongoing investment of the south-east which, apart from in a few isolated metropolitan hot spots such as Leeds, is undermining efforts to revitalise the provinces. The economic dominance of the south east and its associated development is also meeting environmental capacity limitations, for example in the provision of water resources, with significant implications for the natural environment, which is dependent on reliable supplies of water.

Annex A:

Selected examples of research/publications on the value of the natural environment for economic development

- *“The environment, economic growth and competitiveness; the environment as an economic driver”* prepared for Land Use Consultants for a consortium of agencies including the Countryside Agency and English Nature (March 2006) – collates and summarises a wide range of evidence.
- *“The economic impacts of the Community Forest programme”*. Penn Associates. Research report for the Countryside Agency (April 2003). The report presents qualitative information on the economic impacts of the Community Forest programme. It concludes that the creation of a high quality setting for development is important in increasing the confidence of investors in an area, as well as in obtaining community acceptance for new development. In general the landscape change brought about through the CF programme is regarded as having had most economic effect where it forms part of a wider regeneration programme. The report also briefly reviews how the Regional Economic Strategies address landscape change, and concludes that the quality of life offered by a region is recognised in the RES as a significant factor in the economic development in the region.
- *“Evaluation of the Community Forest Programme”*. A report to the Countryside Agency by Land Use Consultants with SQW Ltd (March 2005). This report highlights the value of a high quality natural environment and access to green space and outdoor recreation to quality of life, and that a good quality of life has been found to play a key role in encouraging inward investment. The report states that a number of studies over the past ten years have demonstrated the importance of the natural environment as a factor in locational decisions.
- *“The Environmental Economy of the West Midlands”*, report to Advantage West Midlands ERM (2001) which found that the environment plays a significant role in attracting inward investment.
- *“The Economic Value of Protected Landscapes in the North East of England”*, report to One NorthEast by SQW/LUC (2004). This found that £22m of annual business turnover and 1,187 FTE jobs were supported in the protected landscapes by businesses that started or relocated to the areas because of the quality of the landscape and environment in the area.