

How might planning be reformed?

>>> DISCUSSION TOPIC 3
How might planning be reformed?

Led by **Andy Rogers (AR)** of the Association of Consultant Architects
Richard Blyth (RB), Head of Policy Practice & Research at the RTPI
John Myers (JM) co-founder of London YIMBY

BW: The growth plan of the economy under Truss certainly fingered planning as the great constraint on growth. The current government has an unbalanced

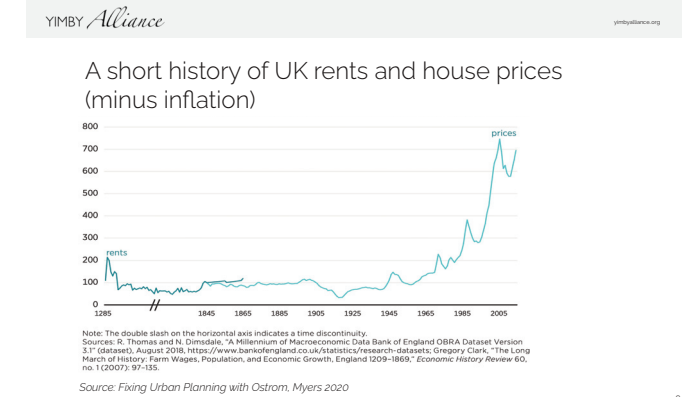
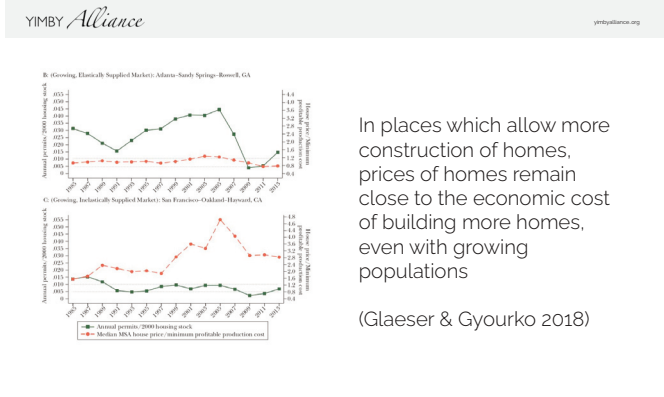
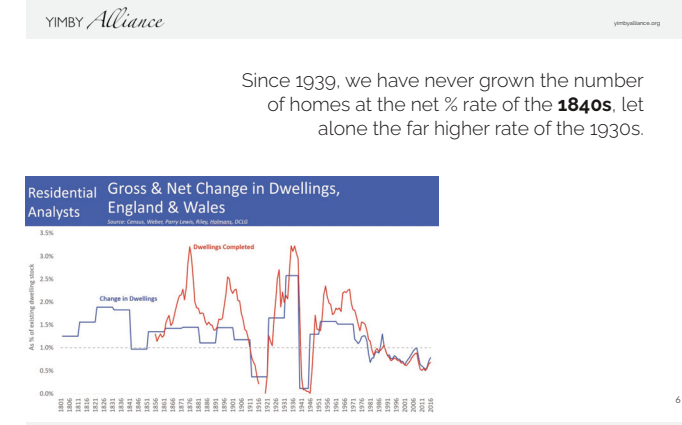
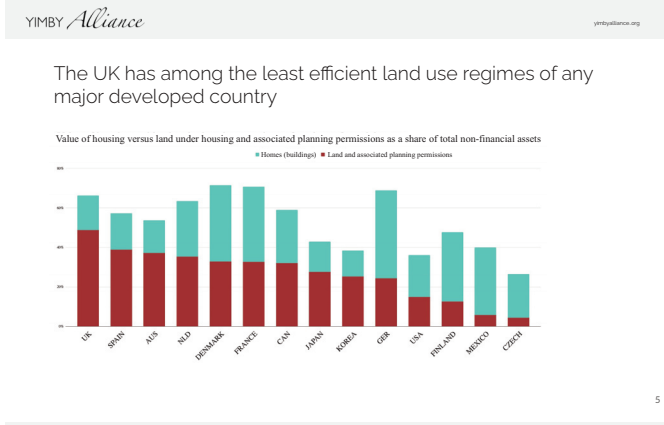
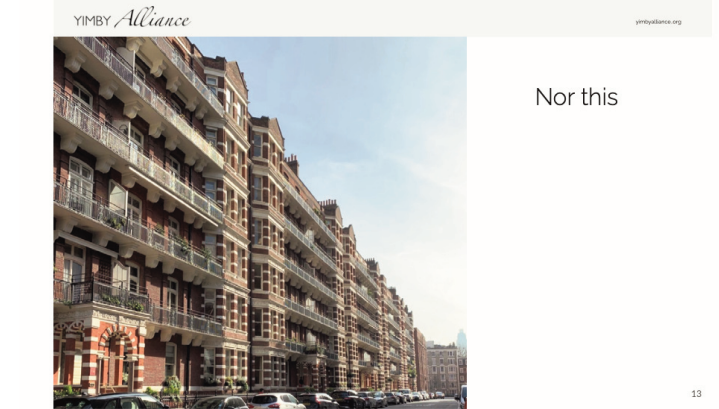
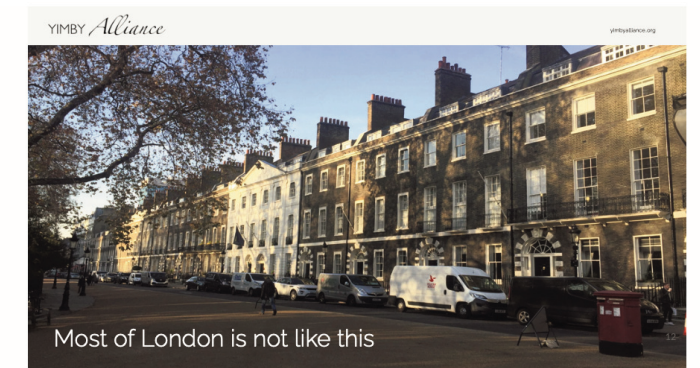
view of what needs changing. There are 2 words that needs statutory definition – reasonable & beauty.

Andy Rogers: The ACA's latest planning manifesto tackles the whole question with simplification. The government uses the word a lot without acting upon it. The more they try to simplify the planning system the more complicated it gets.

The ACA manifesto talks about going back to basics and starting again with a planning system that concentrates on policy principles with all technical matters relegated to building regulations and H & S. We propose to do less by reinforcing the system

that works – where you have major national infrastructure as one arm of planning, and then you have permitted development and all the other basic policies written in Local Plans that could be administered by a certified planning agent who does not have to be from the local authority, an independent qualified person. Local authority planning officers then deal with in-between projects.

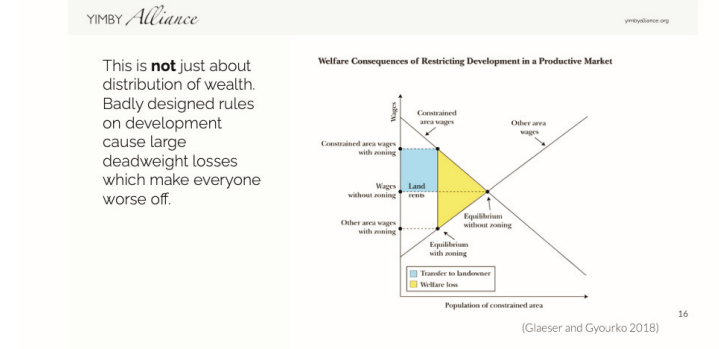
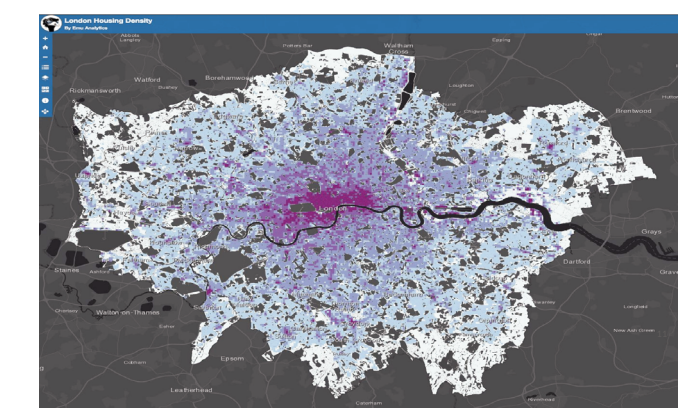
This would free up resources in much the same way that building regulations were freed up. The assessment of applications and in this way would get a proper simplification of the planning system.



A century ago, a house cost less than a car.

Since then, almost everything we make has got much better and cheaper, except homes.

1918
The average house costs: £195
The average car costs: £250
The average wage was: £141
1918 World War Leads



A lot of people say that this is a democratic system, so this wouldn't work, but we're not suggesting that we take the decision away from the local authority, just that we reinforce the local authority by using independent qualified people who would process applications passing the decision making back to the LPA. The aim is to free up resources, get back to proper simplification and make it work more efficiently.

Wider discussion around why things happen. In relation with what is happening at the moment, the proposals from the government to make the infrastructure levy subject to a series of local planning enquiries is far too cumbersome. Introduction of National Development Planning policies would require much more intentional and intensive public participation engagement from the government and would require parliamentary scrutiny.

We have not seen any solution to this since 2010. In France, urban planning agencies provide a strategic public sector planning consultancy to groups of local planning authorities. (See the map overleaf.) At the very least, development management should be made self-financing rather than be subsidised by council tax payers.

BW: In discussion over the years, there was a concern about who this private sector person might be and what qualifications they should have. It should be anyone that would qualify as a planning inspector.

The proposal to change Environmental Assessment must guarantee public participation and consideration of alternatives. The Levelling Up bill should make much more of a primary commitment to adaptation and mitigation of climate change.

I have some sympathy with the suggestion that re-structuring employment in the local public sector should be explored. One suggestion to be made was that the local authority should create a wholly owned public consultancy to do the work for them.

Richard Blyth: I'm quite glad that you widened the scope of the discussion because I think there are the two levels on which planning reform is discussed:
• Process driven discussion.

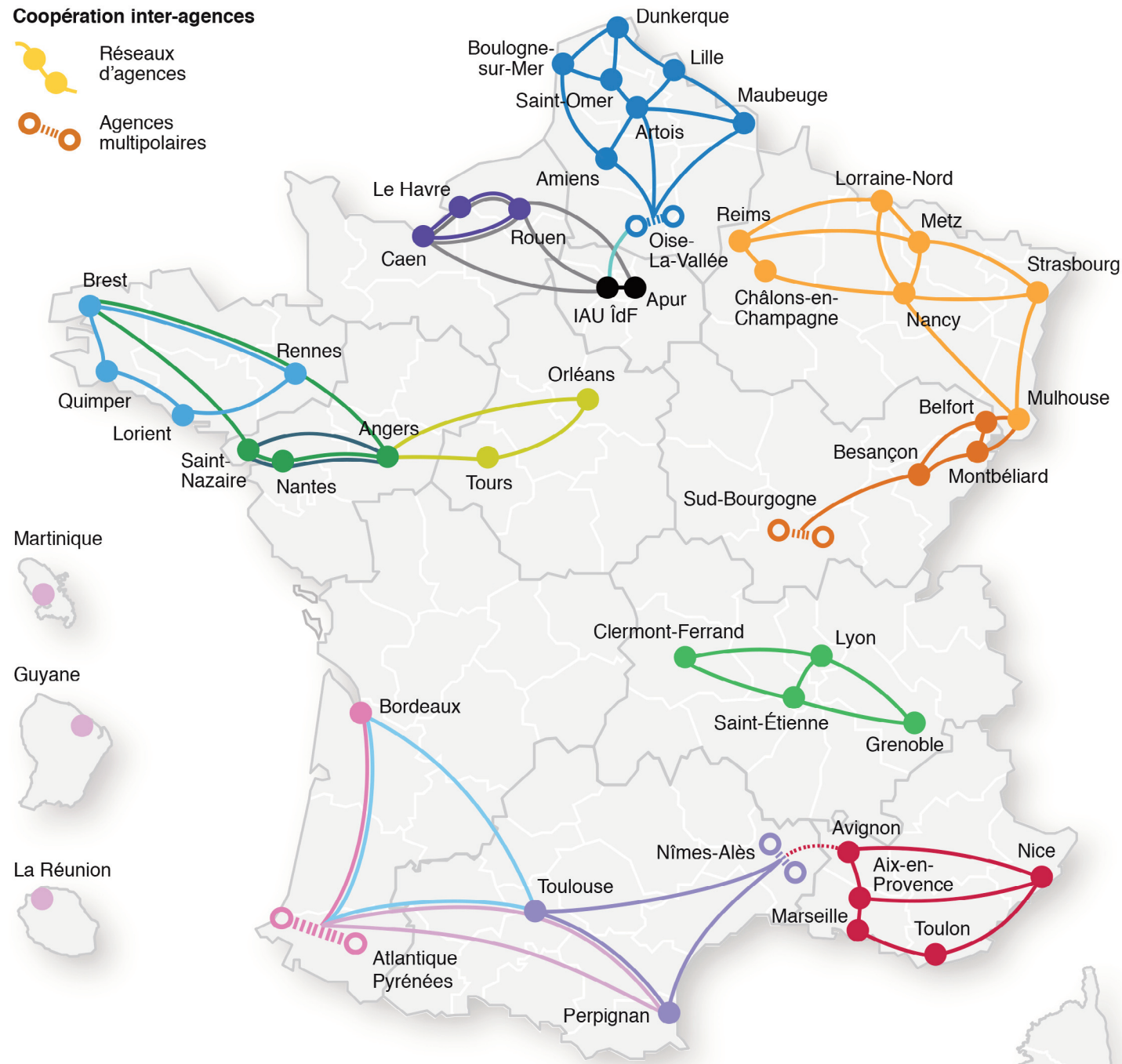
Much greater commitment is needed from Central & Local Government on planning over wider areas. The real problem is getting rural/suburban authority to absorb the overspill from cities.

John Myers: Reforming Planning Why?
• Better planning would boost incomes and growth. According to Office of National Statistics, 10th March 2022:
• In 2020 land was the most valuable asset in the >>>

Réseaux d'agences d'urbanisme dans les nouvelles régions en 2016

Coopération inter-agences

- Réseaux d'agences
- Agences multipolaires



ABOVE: In France, urban planning agencies provide a strategic public sector planning consultancy to groups of local planning authorities. See <https://www.rtpi.org.uk/policy-and-research/research/planning-agencies/> for more details."

>>> economy, estimated at 6.3 trillion pounds, accounting for nearly 60 per cent of the UK's net worth.

- Land underlying dwellings was valued at 5.4 trillion pounds in 2020, and was 86 per cent of the total value of non-produced non-financial assets.

It is not the value of the land in undeveloped use e.g. for agriculture. It is the value of planning permissions attached to that land in respect of housing

already on that land.

JM presented a chart of the value of housing vs land under housing and associated planning permissions as a share of total non-financial asset. The UK has among the least efficient land use regimes of any major developed country.

JM presented a graph of the gross & net change in dwellings in England and Wales, from 1801 to 2016. Since 1939, UK has not grown the number of homes

at the net % rate of the 1840s, let alone the far higher rate of the 1930s.

In places which allow more construction of homes, prices of homes remain close to the economic cost of building more homes, even with growing populations. (Glaeser & Gyourko 2018)

Looking at the graph of the short history in UK rents and house prices (minus inflation), published in August 2018 by R Thomas and N Dimsdale in 'A

Millenium of Macroeconomic Data Bank of England OBRA Dataset Verson 3.1". There is an adjustment of inflation and discontinuity in house prices since the middle of the 20th century.

A century ago, a house cost less than a car. Since then, almost everything we make has got much better and cheaper, except homes.

UK land is used inefficiently. In the London Housing Density map, it can be seen mid-rise density in the Central London, which pales out to the white colour further out where low density, low rise suburban areas are. We might look at more infill developments in these areas to encourage better use of land.

This is not just about distribution of wealth. Badly designed rules on development cause large deadweight losses which makes everyone worse off. This has enormous human cost.

- Reduction in labour mobility results in the most productive firms employ fewer people (Hsieh &

Moretti 2019, Duration & Puga 2019 estimated large welfare and GDP impacts in the US):

- Increase in commuting distances
- More pollution
- More stress
- Less time with family, less sleep
- Less growth
- Fewer children than people would want
- Families live further apart
- Less living space than people want
- Less access to amenities
- Lower use of public transport and active travel resulting in more road congestion.

And comparable restrictions on labour mobility Young private renters are only one-third as likely to switch jobs and homes as they were 20 years ago. Leapfrog commuting from beyond the Green Belt.

Local authorities do not have incentives to allocate sites to developers the way it is done in

Switzerland or Germany. Why is that?

A former labour minister explained that when labour is in power they have semi-rural MPs who are suddenly very sensitive about development.

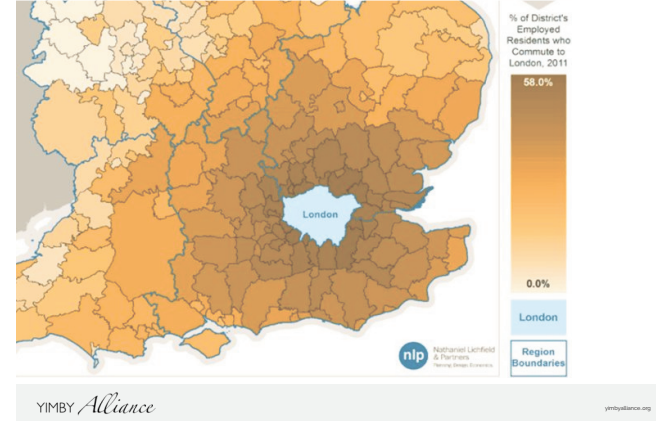
The housing theory of everything – an article about all problems with housing.

Better planning is really hard; reforms might fail. Over seventy years of planning reform failure. Going back to the Gross & Net Change in Dwellings graph, it shows that most new housing today is not built where it is most needed since 1947.

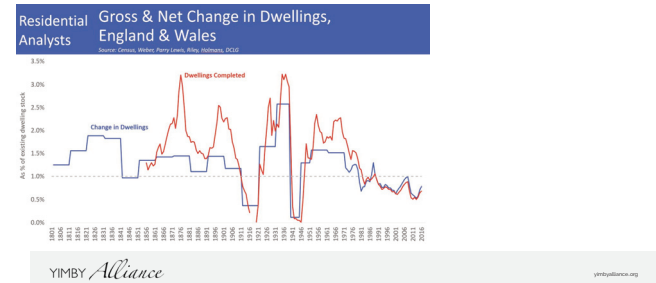
Why is planning reform hard? Land use is much harder to regulate than other parts of the economy.

- People get upset about the spill over effects of new construction (noise, pollution, congestion, views etc)
- The owners of the assets that produce housing services now make up two-thirds of the votes: they have a strong interest in restricting production, unlike other sectors.

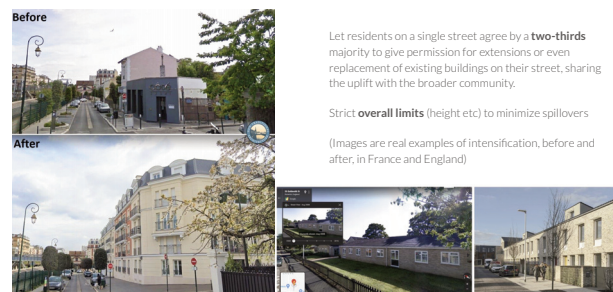
Leapfrog commuting from beyond the Green Belt:



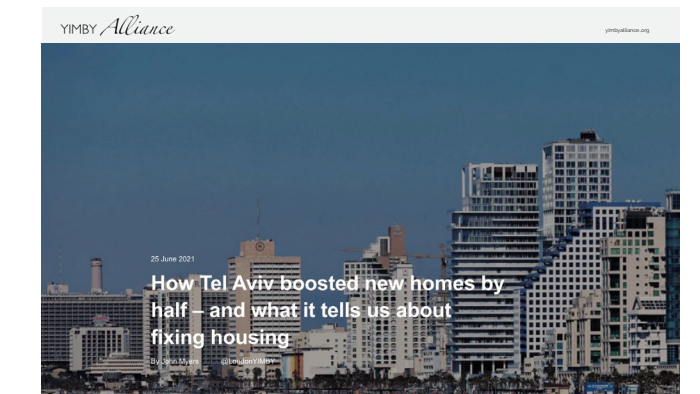
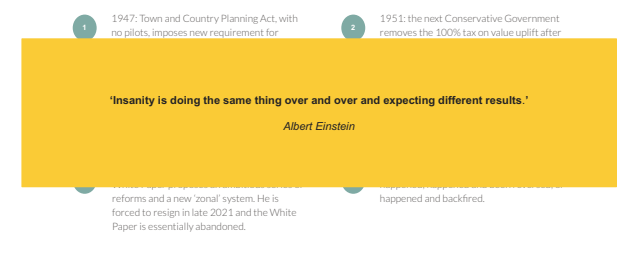
Since 1939, we have never grown the number of homes at the net % rate of the 1840s, let alone the far higher rate of the 1930s, and **most new housing today is not built where it is most needed**



Street votes



Over seventy years of planning reform failure



>>> House price crashes often lead to a change of Government. This was much less of a problem in 1947 or 1910 because homeownership rates were much lower.

- Homeowners are rationally risk averse
- Ultimately the problem is politics. Even harder than in other countries
- Older housing stock
- Unlike some other countries, the green belt creates a unifying point for political resistance to urban expansion even on low quality land.
- England has a higher population density than many other OECD countries
- Our litigation-focused planning system, exercised through representative democracy, reduces predictability, increases costs and increases the number of veto players due to 'blame avoidance'.

Looking for new ideas:

- Reform ideas:
- Community Land Auctions – Tim Leunig. HMG currently proposing pilots in the Levelling Up. Mainly a greenfield scheme: less relevant for London.
 - 'Street Votes' -letting small communities enable more development, sharing the benefits, if they wish.

Let residents on a single street agree by two-thirds majority to give permission for extensions or even replacements of existing buildings on their street, sharing the uplift with the broader community. Strict overall limits to minimize overflows.

Will it work? An example in Tel Aviv, where people voted to allow additional flats to be added to their apartment block resulted in 35 per cent increase in new homes in Tel Aviv in 2020.

Create a large cross-party coalition in support of street votes.

Discussion:

Andrew Catto (AC): How are you going to make this work through the reality of what it is happening now. The government believe that the community infrastructure levy was supposed to make people want more development in their area but it made no difference what so ever.

AR: The neighbourhood plans are in effect street

votes only slightly wider area. Perhaps a smaller area with a simplified neighbourhood plans might be the way forward.

Denean Rowe (DR): How the street votes work in London, where the same development might be great for people living on one street but not good for ones living on another street.

JM: The idea behind street votes is that they have high limits on what can be done by one street to ensure it cannot affect another street. It also provides consultation of people in the surrounding area. It has to be some experimentation to see how it should work.

The idea is to learn of the success of Neighbourhood Planning but to apply to a much smaller scale and to a streamline fashion. Residents are the people who are entitled to vote, even if they are tenants.

RB: It is important to consider this in the context of voter ID. The challenge is that part of the population is seriously under represented on the registered voting. It has to be very careful safe-guards around if one person voted and that person voted yes for example.

JM: There are minimal requirements and they are based on residents. Hopefully this will encourage more participation by less privileged communities in the voting system.

BW: I like the idea that people through street votes could increase the interest in the abstraction of writing a plan. The more local the plan is, the more the residents will be engaged.

DR: I think we should be conscious that a lot of people don't take part in consulting the local plan or neighbourhood plans because that is a big hurdle for them. There are many people that do not understand the terminology use in a local plan or how it is actually going to be affecting their local areas.

BW: There will always be an aspect of that. The fact that our planning system is peculiarly legal is the cause of this problem. In our neighbourhood plan (Ham & Petersham), we had children participating through drawings. Once you are talking like this, you begin to break the barriers. It is a long way to join the dots up back to the legislation.

AC: What would a neighbourhood plan have cost

to pay all the experts involved?

BW: The Local Authority, Richmond Council was unsympathetic to the neighbourhood plan as they had Village Plans but at the end of the day they were very helpful. People who wrote the plan (architects, planners) had greater qualifications than those from the local authority and it was formed from residents and volunteers.

But AC is right, there are parishes that want to write a plan but have nobody to understand how to do that.

AC: The incentive to produce a local plan when half of the residents do not even know their neighbour is unrealistic.

RB: Much more difficult to do a neighbourhood planning if there are no green fields. The difficulty is with the decision how to intensify without having the space. The question is how much you can build up and for what purpose.

BW: We should remind ourselves that there is money from the government for the basics, including hiring consultants to help with the plan. The local authority also has to provide resources.

JD: Ashford Kent has a neighbourhood planning process related to the inflated government view of housing supply. Some years ago, the parish council planning committee reps got together for a Post-It exercise which set a number of agendas. This was successful in confirming zoning: as a result, there is an active democratic planning process through the parish council planning committees with displays in village halls and feedback at a personal voter level which are incorporated into responses to Ashford Borough planning officers.

BW: To what extends Ashford Kent adopted these suggestions?

JD: It was setting where the boundaries of development would be going to be.

BW: We read that parliament will strengthen the Neighbourhood Plans and extend their weight from 2 years to 5 years. The problem in London is that we do not have parishes, so the neighbourhood forums have to be invented in order to make the plan and then it has to be reinvented every five years.

The meeting concluded with thanks to all the participants. ■

The next meeting of the London Planning & Development Forum

will be the Annual Planning Update hosted by Dentons on the afternoon of Tuesday, 21st of March. Joanna Averley, Government Chief Planning Officer, has agreed as last year to give the Keynote.

Booking via the Cambridge University Land Society at www.culandsoc.com



London Planning & Development Forum