Common Ground

A Shared Vision for Planning Reform





England is a geographically small, densely populated nation, facing multiple challenges – from COVID-19 recovery to the climate crisis, and from a desperate need for high-quality affordable homes to the need to rebalance the national economy. The decisions we take on how to respond to these issues will have farreaching consequences for future generations. That is why the question of how we plan is crucial – and not just to professionals and politicians, but to communities, businesses and individuals, whose future wellbeing and life chances will depend on the decisions we take now.

The government is now proposing a radical replacement of our existing planning system, in the latest step in a decade-long story of continuous change. **Common Ground** offers an alternative, holistic vision, focused on a principled but practical and measured reform of our existing system. It does so while seeking to draw a line under the constant changes to our planning system, and it aims to shift our focus decisively to the real job of making places fit for the 21st century. We believe that the vision presented here would secure better outcomes for people and would begin to restore public trust in the planning process. This is not a detailed paper, but rather an indication of an alternative approach. Ideally, it will be the beginning of a less polarised and more inclusive conversation about change. With that in mind, it is an attempt to build a wider consensus for change, which is vital in securing a lasting settlement in the public interest.

Planning Matters

Good planning enables us to use resources efficiently, joining up infrastructure, homes, work, and leisure opportunities, with huge benefits to society, the environment, and the economy. Good planning has the tough job of balancing competing priorities and mediating disparate interests. It has to ensure that people are at the heart of decision-making, so that all decisions are democratic, accountable, and genuinely participative. At its best, planning delivers transformational change, enhancing the quality of our lives and building our society's resilience in the face of the challenges that lie ahead.

Our current planning system

There are real problems with the current planning system, and changes are certainly needed. Businesses complain of complexity and a lack of certainty. Communities complain that their concerns are ignored. Many councillors feel powerless to deliver the changes that they believe their communities need. Many professional planners feel trapped in a process-driven treadmill, rather than being able to co-create visionary solutions to their area's needs. The system too often fails to reduce carbon dioxide emissions or support those in desperate need of affordable, healthy homes. It is generating more than enough consents for homes, but it lacks the power to deliver them at the pace and price that we need.

At its best, planning delivers transformational change, enhancing the quality of our lives and building our society's resilience in the face of the challenges that lie ahead.



© David Lock Associates MK2050 Strategic Growth Study

The Government's Planning Reform agenda

The last ten years have seen a series of fundamental changes to the English planning system. The impact of these changes can be summarised under five key themes:

- The system has lost any coherent strategic scope. We have neither a national plan nor regional plans; and that means we cannot deal with big-picture cross-border issues such as flood risk, or co-ordinate the delivery of infrastructure and largescale development.
- The system is now much less capable of shaping sustainable outcomes in terms of standards and locations. Extended permitted development rights represent the worst extreme of the consequence of nationally imposed deregulation, in many cases resulting in a new generation of slums.
- The system has become more procedurally complex, with, for example, many more routes to gain planning consent.
- The system is underfunded, with local planning departments experiencing some of the biggest cuts made across local government.
- Far from improving as a result of the recent changes, the level of public trust remains very low, with increasing incidences of direct action in response.

It is all the more remarkable then that, in the face of all these obstacles, the planning system can still deliver remarkably good outcomes. The problem is that increasingly it does this despite the way the system has been constructed, and not as a result of it.

The Planning White Paper

2020 marked an important break point between the radical reform of the existing system and its replacement with an entirely new framework. The government's Planning White Paper lays out a sketch of a new hybrid planning system based on three zones. Because of the lack of detail in the White Paper it is hard to be definitive about how this system will work in practice. It has, however, already proved highly controversial, for three main reasons:

- 1 First, the implementation of 2 Secondly, there is deep this new system would be highly disruptive, requiring radically new ways of working just as we trying to manage the multiple impacts of the COVID-19 epidemic, Brexit, and the climate crisis.
 - concern about the gap between the government's welcome rhetoric on beauty and democracy and the actual measures that the White Paper contains, which directly undermine public trust.
- 3 Thirdly, the White Paper is essentially rooted in the narrow purpose of generating new housing in greater numbers. There is barely passing reference to the broader scope of planning to deal with employment, utilities, logistics, human health, education, minerals, or conservation. The White Paper fails to set out an effective system for dealing with the climate crisis; nor does it focus on the practical delivery problems that exist under the current system.

COMMON GROUND A shared Vision for Planning Reform **TCPA**

https://www.gov.uk/government/consultations/planning-for-the-future

Evidence matters

One of the major dangers of embarking on the proposed radical planning reform is that it would be based on powerful myths about planning practice, and not on the existing detailed evidence about the real problems of the current system. This creates a serious risk of major disruption without any guarantee that it will yield benefits in terms of public trust, housing delivery, or carbon emissions reduction. We are not short of important evidence from the Barker Reviews (on land use planning and housing supply)², the Raynsford Review of Planning in England³, or Oliver Letwin's recommendations on housing delivery⁴. Planning academia has also provided a rich seam of evidence in publications such as *The Wrong Answers to the Wrong Questions*⁵.

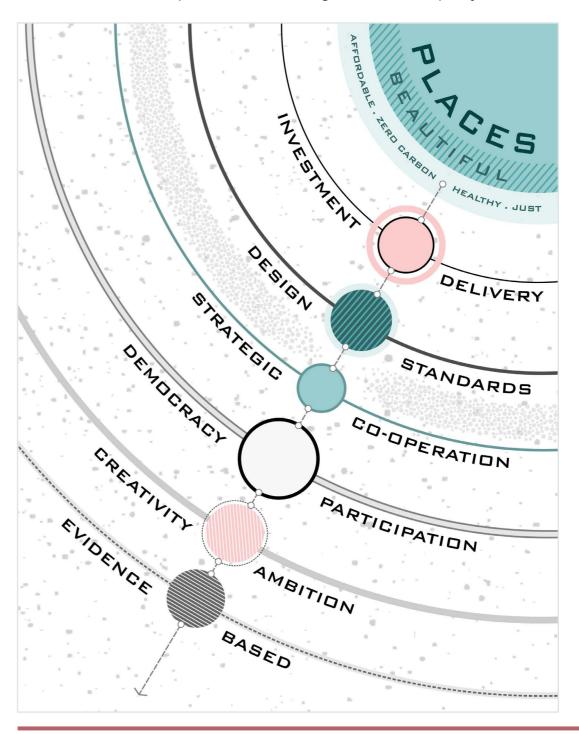
....the evidence shows that ten years of intensive and radical reform have left the nation less well equipped to face the future. What does this evidence tell us? Positively, it tells us that planning has the clear potential to offer solutions to the climate crisis, to many human health issues, and to effective housing delivery. It also tells us that, after ten years of continuous reform, public trust is at a low ebb; local plans struggle in the absence of strategic support; and, while are they capable of delivering the necessary planning consents, local planning authorities lack the power to deliver them effectively. Above all, the evidence is clear that the deregulation experiment has created a 'shadow planning system' of permitted development which is producing some shamefully poor results. In summary, the evidence shows that ten years of intensive and radical reform have left the nation less well equipped to face the future.

and

https://webarchive.nationalarchives.gov.uk/+/http://www.hm-treasury.gov.uk/barker_review_of_housing_supply_recommendations.htm

Our shared point of departure

Our shared objective is a simpler, fairer system which works for all sectors and in the public interest, with strong democratic accountability and a clear purpose of securing our collective health and wellbeing. It must also reflect the complex social, environmental and economic geography of England, and must be fit to deal with the current health and biodiversity crises and the severe impacts of climate change and social inequality.



COMMON GROUND A shared Vision for Planning Reform

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/228605/0118404857.pdf

³ <u>https://www.tcpa.org.uk/raynsford-review</u>

⁴ <u>https://www.gov.uk/government/publications/independent-review-of-build-out-final-report</u>

⁵ https://www.tcpa.org.uk/the-wrong-answers-to-the-wrong-questions

Pre-conditions for success

Planning reform is not easy. It involves a complex balance between regulation, democracy, human needs, inconvenient geography, and the intricacies of the development process. If changes are to be successful, they will need to deal effectively and holistically with all these issues. If planning reform is to deliver high-quality thriving communities, it cannot take place in a vacuum: it must be aligned with infrastructure and housing investment programmes, with land tax arrangements, and, above all, with any reform of local government boundaries. As the Raynsford Review pointed out, it is almost impossible to construct a successful planning system based on the shifting sands of the devolution debate. A lasting settlement on local government boundaries would be the greatest single contribution to solving the problem of undertaking effective strategic planning in England.

Six key priorities for change

With the health, housing and climate crises all demanding urgent solutions, it is clear that we need to reform the planning system. The challenge is to deliver the necessary change with the least possible disruption. In this context, we believe that there are six immediate and interlocking areas that must be prioritised in taking forward the reform

A statutory purpose for planning: We need to establish a clear, ambitious and shared objective for our planning system which sets our nation on a pathway to a sustainable future. It is thus vital that we have a clear legal purpose for planning, based on the objectives of sustainable development but with a powerful focus on the positive promotion of human health and wellbeing. We recommend going beyond the Scottish government's legal duty on planning in the public interest to set up a transparent goal for all parts of the system.

The purpose of planning

The purpose of the planning system is to positively promote the spatial organisation of land to achieve the long-term sustainable development of the nation and the health, safety and wellbeing of individuals. In the Planning Acts, 'sustainable development' means managing the use, development and protection of land, the built environment and natural resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing while sustaining the potential of future generations to meet their own needs.

This new purpose would provide a vital foundation for planning, but it is also key to binding the Climate and Planning Acts together to help deliver the government's carbon dioxide emissions reduction targets. A requirement will be the strengthening of the existing duty on climate change in planning law to apply to all decisions, including decisions from the permitted development regime.

It is
particularly
important
that control
over permitted
development
is returned
to local
government.

- Building public trust: Building public trust is a vital pre-condition for successful reform. Nothing should be built without public consent. We need a system which is democratically accountable and genuinely participative so that communities including those currently excluded from the process have clearly defined and meaningful power over their own future. All parties must have access to basic minimum legal rights to protect their interests, including a right to be heard in person when plans are examined. Local politicians must be accountable for their actions; and that means they must have the powers necessary to make key decisions. It is particularly important that control over permitted development is returned to local government. It is also vital that local plans have an enhanced status so that we can have faith in a truly plan-led system. Councillors also have a responsibility to make well informed decisions, which should be grounded in mandatory planning training. Furthermore, there is a need for resources to directly support community empowerment.
- Minimum standards for homes and communities: The government has begun to adopt limited standards for light and space for some aspects of permitted development. A much more ambitious set of minimum housing standards is required if we are to deliver homes and communities that support people's health and wellbeing. Such changes would align very well with the ambitions to remove complexity from those parts of the system where it serves no purpose and to create a platform for high-quality design and technological innovation. We therefore support the 12 principles set out in the Healthy Homes Act⁶ currently being advocated by Lord Crisp including meeting the urgent requirement to build zero-carbon homes.
- The need for strategic co-operation: The evidence is clear that our nation is being held back by not having effective national and strategic plans to co-ordinate development and enable local action. We endorse the UK 2070 Commission's compelling case for a national strategic plan? We also strongly support the re-introduction of strategic regional plans, which should have a formal status in planning decisions and be produced with clear democratic accountability. The core of the system would be an integrated framework, from neighbourhood to national planning, of mutually supporting plans and strategies, defined by four key layers:
 - neighbourhood;
 - local authority;
 - sub-region/city-region; and
 - · national.

⁶ https://www.tcpa.org.uk/healthy-homes-act

- A focus on practical delivery: Applied with positive intention, the planning process can establish the mechanisms to manage large-scale development, keep delivery on track, ensure quality, engage communities, and overcome delivery hurdles. Too often, a planning consent is regarded as an end-point, not the start of a delivery process and a tool to facilitate investment.
 - There is broad consensus that, if we are to unlock the potential of planning to deliver homes, we need a much more active and muscular public sector, acting to de-risk development and guarantee quality, affordability, and delivery. Government has a much more active role to play in making this happen, both leading and partnering with the private sector. Urgent priority should be given to developing a compelling offer of support for local growth, including a modernised and effective Development Corporation option for areas undergoing rapid change. Development Corporations or local authorities driving growth must be backed by a much stronger framework of support from government. Strategic plans are needed to determine the right locations for growth, but central government must also set out the right investment streams and take direct responsibility for the co-ordination of policy and funding across government departments - including the eight government departments with a stake in planning and their various agencies, such as the National Infrastructure Commission, the Infrastructure and Projects Authority, and Homes England. Closer alignment of these bodies and clarity over their specific responsibilities would aid delivery.
- 6 **Sharing development values**: Harnessing and sharing the profits of development is at the heart of building successful places. It is also crucial to creating the funds needed for the stewardship and long-term management of places. The government has set out an indication of a new national infrastructure levy based on capturing development values. Because of lack of detail in the White Paper, it is impossible to know how this might operate, but there are no proposals to address the problem that, without some redistribution, taxes on development values yield most for high-demand areas and fail to meet the needs of other communities. Given the disruption involved, we support the recommendations of the Raynsford Review for a more modest immediate reform:
 - measures specific to large-scale growth implemented by Development Corporations and local planning authorities;
 - measures to strengthen the development plan in order to secure strong public interest outcomes which will be reflected, in time, in lower land prices, allowing a new policy of 'right-pricing land' to take effect;
 - a reformed Section 106 and Community Infrastructure Levy process, providing greater guidance on land value factors in viability testing; and
 - an element of betterment taxation, as part of capital gains tax and land value stamp duty, which should be redirected towards regeneration in low-demand areas.

One thing is clear: whichever method is applied to capture development values, these funds will not yield enough to meet all the infrastructure and social housing needs of new communities. It is vital that investment in socially rented homes is radically increased.

TCPA

⁷ http://uk2070.org.uk/2020/02/26/uk2070-final-report-published/

The Prize

Action in these priority areas would be mutually reenforcing, so that the outcome would be more than just the sum of the parts.

Action in these priority areas would be mutually re-enforcing, so that the outcome would be more than just the sum of the parts. Taken together, the six propositions would create a revised planning system that would have a clear purpose, prioritising the safety and wellbeing of people within a framework of long-term sustainable development, so as to create places of beauty, safety, and resilience. It would provide a clear platform of democratic rights and offer greater certainty and predictability to all parties, enabling investors and communities to feel more confident in a genuinely plan-led system. It would offer a new and much higher standard for new housing, which would positively promote people's health and wellbeing. It would focus on practical delivery – on getting high-quality homes built in the right places by providing a strategic overview within which local plans could be developed. It would offer a fairer way to re-invest development values, including in those low-demand areas that need regeneration.

How could we get there?

All of the changes we are suggesting could be delivered through the evolution of our current system. Other government priorities, such as an increased focus on design guides, could also easily be incorporated into a renewed plan-led approach. We believe that there are three foundations for successful planning reform:

- 1 Work with the grain of the existing system by making forensic changes to planning law, policy, and guidance. Such changes would aim to minimise any disruption to a focus on delivery.
- 2 Rigorously apply the evidence about the real practical problems of delivery to ensure that the system can deal with systemic shocks, not least from the climate crisis.
- 3 Above all, build a consensus about the direction of change across all sectors, and particularly with those community groups whose voices have hitherto been least heard in the planning process. **Building a conversation** about our collective future will probably require compromise between sectors. The prize will not be a perfect planning system, but a settlement that provides a measure of confidence and legitimacy in facing the challenges ahead.

Given the deeply polarised views about planning that have characterised ten years of reform, we do not expect everyone to be enthusiastic about our six objectives. But we hope that this approach could transform a troubled system into one capable of delivering what our nation deserves: a better, fairer and more transparent planning system, focused on delivering the high-quality and sustainable places in which we all aspire to live and work.

All of the changes we are suggesting could be delivered through the evolution of our current system.

COMMON GROUND A shared Vision for Planning Reform

Conclusion

We have no doubt that planning in the public interest can bring real benefits to the lives of the diverse communities of England. Reform of the planning system is necessary; but it must be done right. The scale of the challenges facing our society and planet is such that we cannot afford radical change which takes us in the wrong direction. We believe that the defining challenge for the future of planning is to build a consensus around the priorities for the future development of our communities and our nation. The changes we have set out in **Common Ground** are easily achievable and would start us on a journey to the solutions we need. The question for all of us is whether we have the necessary will and foresight to secure the health and wellbeing of all our communities, now and for the future.



Common Ground: A Shared Vision for Planning ReformOctober 2020



tcpa

Town and Country Planning Association

17 Carlton House Terrace London SW1Y 5AS +44 (0)20 7930 8903 tcpa@tcpa.org.uk www.tcpa.org.uk

Graphic design and photography © <u>David Lock Associates</u>

