



HOUSE OF LORDS

Revised transcript of evidence taken before

The Select Committee on National Policy for the Built Environment

Inquiry on

BUILT ENVIRONMENT

Evidence Session No. 16

Heard in Public

Questions 184 - 196

THURSDAY 19 NOVEMBER 2015

10.05 am

Witnesses: Guy Bransby, Richard Lemon and Adrian Penfold

USE OF THE TRANSCRIPT

1. This is a corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.

Members present

Baroness O’Cathain (Chairman)
 Lord Freeman
 Lord Inglewood
 Earl of Lytton
 Baroness Parminter
 Baroness Whitaker
 Lord Woolmer of Leeds

Examination of Witnesses

Guy Bransby, Lead Director, Planning and Development, Jones Lang LaSalle, **Richard Lemon**, Associate Director, Planning, CBRE, and **Adrian Penfold**, Head of Planning, British Land

Q184 The Chairman: Welcome, Mr Bransby, Mr Lemon and Mr Penfold to this evidence session of the Select Committee on National Policy for the Built Environment. You have in front of you a list of the interests that have been declared by members of the Committee. A transcript of the meeting will be taken and published on the Committee website. You will have the opportunity to make corrections to that transcript where necessary. For the interests of the record and for our transcriber, could I begin by asking each one of you to briefly introduce yourselves to the Committee please, starting with Mr Bransby?

Guy Bransby: My name is Guy Bransby. I am lead director of the planning and development team at the private sector consultancy Jones Lang LaSalle.

Richard Lemon: Good morning, my Lord Chairman. My name is Richard Lemon. I am an associate director in the planning team at CBRE, an international real estate firm.

Adrian Penfold: Good morning. I am Adrian Penfold. I am head of planning at British Land. I was also previously a chief planner in local government, and I should declare that I am a non-executive chairman of Design South East, which is a charity promoting design quality in the built environment.

The Chairman: That is interesting: a charity on the built environment. How does it link in with, say, government? Is it for lobbying?

Adrian Penfold: No, it does not do any lobbying. It works with local government, local communities and developers promoting design quality, so it supports local government, mainly, through design review, in-house support and working sessions.

Q185 The Chairman: Thank you very much. I am going to ask the first question. What are the main constraints on the ability of the planning and development industry to grow? To what extent will recent and proposed national policy reforms help to address such constraints?

Guy Bransby: My Lord Chairman, I have a number of points that I would like to make. If it is okay, I will work through them one by one. If you would like more detail, I can obviously focus on those. I think I have identified 10 potential constraints on growth, but I will do so in one sentence for each. The first is the level of local authority resources and expertise to deal with planning applications, which have been hit further by recent cuts. Linked to that is the ability of the profession to attract young people through university to study and to want to practise. The third point is the impact of both, which is the time the system takes to deal with planning matters at all levels of governance. My fourth point, again, is related; we have a planning system that often relies on the appeal process to get to a decision, and the Planning Inspectorate also has issues with resourcing, in my opinion. Fifthly, the emphasis on localism, the involvement of local people, the development of local frameworks and how that marries up with the agenda to drive growth is a challenge, the two potentially exclusive of one another.

The next point is about the ability to bring judicial review against planning decisions. The thresholds, in my opinion, are set too low. The next couple of points relate to planning policy constantly changing and evolving, which leads to some uncertainty. This in turn links to my next point, which is that planning policy often seeks to be all things to all people and to cover potentially too many circumstances; it needs to focus in.

Penultimately, the planning system is inevitably a democracy driven by politics, and that can influence decision-making at a local level. Finally, the planning applications themselves are often overburdened by superfluous information, in my opinion, and there needs to be a tightening up on what a planning application comprises and what is truly necessary.

The Chairman: That is certainly a very comprehensive list. We have skirted around all of them and got evidence on them. That seems to be a very comprehensive fundamental list of things that are going wrong and which we need to address. I will not ask you which is the most important, because that is silly; they are equally important. But we are going to be dealing with a lot of these in the course of the questions, for example on education and the

issue of trying to encourage people from universities. Do you have a question on that, Lady Parminter?

Baroness Parminter: It is for the next session.

The Chairman: That is right. We have a lot to go through, but we have not heard the point about judicial review before. It would be very useful if you can expand on that briefly at this stage, or send us something if you have anything on that. As soon as you said it, I thought, “Gosh, yes. This is one we have not heard about yet”. Would you like to give us a few words on this now?

Guy Bransby: Yes, my Lord Chairman. I am very happy to send information in response, and I am conscious that I have not answered the second part of your question, which I will do in a minute. On judicial review, the cost threshold to bring a judicial review challenge was recently changed and is now at a cost of £5,000, which is a level low enough not to discourage people from bringing judicial review or, to put it another way, is actually encouraging more judicial review challenges to come forward. Second to that, the criteria on which the judge assesses judicial review at the first stage are fairly flexible and fairly loose, so a lot of judicial review challenges are proceeding to stage two, to the high courts.

Baroness Parminter: On that specific point about judicial review, how do you feel about the fact that local people do not have the right of appeal against a developer if a plan comes forward that is contrary to the local plan? Do you think there would be less judicial review if the Government accepted such a right of appeal at the beginning of the process?

Guy Bransby: I am not sure that is true. In fact, we have done a bit of work looking at the Irish planning system, which, as I understand it, does have the ability for local people to appeal decision-making. It has not solved this issue.

Baroness Parminter: Is that against a local plan, or is it a broader right?

Guy Bransby: It is a broader right.

Baroness Parminter: I am talking about plans that go against local plans, so it is not an exact parallel.

Guy Bransby: We can follow up with some more work on that.

Baroness Parminter: That would be helpful.

Guy Bransby: That is an interesting point.

The Chairman: I would not like to take a lead from the Irish thing. If you go out of Dublin, it is completely littered with half-built estates, but there we go.

Lord Inglewood: Can I just ask for a point of clarification, please? Is your concern about judicial review's scope, or are you basically saying that there should not be any at all?

Guy Bransby: I am comfortable with the right of judicial review. It is more the scope and the thresholds that apply to the ability to bring one. I put it to you that there are some superfluous judicial review challenges, which are driven by non-planning interests.

The Chairman: Yes, I can imagine.

Adrian Penfold: Can I just add on the judicial review point, because I have direct experience of this, that the issue is about the length of time it takes to deal with a judicial review. We had one on a small extension to a shopping centre two years ago. It took 15 months to go through the process. It was arguable, but the judge did not agree with the case at every stage. Once it had gone through all the appeal stages, it had taken 15 months, and it got to the point where the project was no longer one that we wanted to do. We decided that we would do something different, so it had a significant impact.

The Chairman: Mr Lemon, do you have anything on judicial review?

Richard Lemon: Not on judicial review, no, but I will come back to some wider points in a minute, if I may.

The Chairman: What is your list of constraints? Then I will come to Mr Penfold.

Richard Lemon: I would certainly endorse all the points made by Mr Bransby, first of all. On the point about the constant stream of planning reform, coupled with that are the difficulties that we have with the uncertainty that causes and the lack of clarity from the Government on whether, for example, the office to residential permitted development right was to be extended. That was hanging in the air for many months and left many of our clients all at sea.

Related to the point about resources in local planning authorities is expertise. There are very many fantastic planners in local authorities. In fact, the majority are, but there are also some who, when you go and see them for a discussion prior to submitting a planning application, the advice one gets is frankly rather limited and rather woolly. One leaves without any clear steer as to whether or not we are engaging in a scheme that has a prospect of going forward and, if so, what the key issues are on which we need to engage. It is absolutely vital that we get that clear advice from every local authority on every occasion.

The Chairman: Is there a scheduled time for you making the application and getting the result, or at least an answer, from them? Are there delaying tactics, or do you get some people who say, “Yes, that is fine”, and you get it back in a couple of weeks?

Richard Lemon: No. Typically there is an arrangement whereby there is a formal pre-application process, and one submits a series of papers, documents and some initial plans, and then you have a meeting. It is at that meeting or in the follow-up advice that you are not necessarily given the clear steer that you need in order to proceed and take forward your scheme with any certainty and to engage in what you and the local authority think are the key issues.

The Chairman: So what you really want is efficiency and clarity.

Richard Lemon: Absolutely, and to engage on a professional level: two professionals talking to one another who are not that reluctant to stick their neck out, albeit that we all know that it is ultimately the decision of the members. Nevertheless, we are professional to professional, and we ought to have that sensible, constructive discussion.

The Chairman: Thank you. That is very useful. Mr Penfold, what are your constraints?

Adrian Penfold: That was a pretty exhaustive list from Mr Bransby. I can add one to the list. On the development management points that have just been touched on by Mr Lemon, in our experience the problems are at the pre-application stage. It is that engagement with the professionals. There is more and more financial pressure on local planning authorities and a loss of resources in planning departments. For some local authorities, it is quite an easy cut to make compared to other departments, so those pre-application discussions get more and more difficult. There is also the post-consent stage of getting the approvals on conditions that you need once you have the actual permission to go ahead, so there are things you need to get approved before the development can actually start, and that can sometimes take some time. Section 106 can take some time. The judicial review point has already been touched on.

My one additional point, which is a very large point to throw into this particular pool as a pebble, is the financing of infrastructure. A lot of communities, councils and developers are very concerned about going ahead with development without the proper infrastructure being put in place. For communities, it removes or undermines the confidence that this development is going to be acceptable—that it is going to have the transport, education and

infrastructure that is needed. Particularly on the large strategic developments, which tend to be the ones I get involved in, that is a big issue.

Q186 Baroness Whitaker: On this point about the pre-application delays, in your judgment is it because of any deficiency in the capacity or the general orientation of planning officers, or is it because they do not know what the planning committee is going to do, because perhaps the members are not particularly au fait with what really matters?

Adrian Penfold: It is both. The worst authorities are the ones where the relationship between the officers and the members of the committee is poor. On some occasions, it seems that the members of the committee are not interested in what the officers have to say at all. That is obviously very unhelpful.

Baroness Whitaker: That needs attention as well, does it?

Adrian Penfold: I think so. The best experience is where that relationship is good, but also where you have quality officers. I agree with Mr Lemon that plenty of local planning authorities have very good officers, and you can have that discussion at a professional level about what is needed and what in your application needs to change. It is very rare that we will put in an application or go into a pre-application, when what we submit is exactly the same as what we put into the pre-application. They nearly always change.

Baroness Whitaker: Are your difficulties more with the officials or the committee?

Adrian Penfold: At the moment, it seems to be more with the committees, but I am worried about the reducing resources in planning departments.

The Chairman: Can I just ask a supplementary on that particular point? Do these people who are elected by local members, local people, who have never had any planning before or know anything about building, construction or anything, have teach-ins? Do they have a programme? Will everybody be given an aide-memoire or something like that?

Adrian Penfold: It is varied. As an ex-chief planner, in my planning committee I provided training for them. When I look back on it, it was nowhere near enough. We should have done a lot more, but it varies across the country.

Guy Bransby: I might just add that I am aware that a lot of planning committee members who are elected, and who quite often do not have planning and property experience, are now undergoing training programmes, often offered by people in the private sector or planning solicitors, but it is not compulsory and it is not countrywide. That is something that I would advocate.

Richard Lemon: Let us not forget that it is in the interest of local planning authorities to make sure the members understand the system. If they refuse a planning application on grounds that are not reasonable planning grounds, it will leave them at risk of cost during the appeal.

Lord Inglewood: In the old days, if you wanted to open a pub you had to get planning permission and you had to get a licence from the local magistrates. It seems to me that you can make the case, perhaps, that it would be better for planning applications and development control functions to be determined by panels of people appointed like magistrates, rather than local authority members. What would you think about that?

The Chairman: That is an interesting idea. Magistrates are usually very intensely interested people.

Guy Bransby: There is a tangential point, which is interesting, which is that officers at planning authorities of course are the professionals who are trained, who work on things with the applicant for a number of months. They have the ability to offer decisions via delegated powers, so it does not actually have to go in front of a committee. As soon as there is an objection to any proposal, be it a pub or something bigger, it automatically has to go in front of a committee. I might recommend extension of officer delegated powers as a process as a way to address your point.

Baroness Parminter: Chairman, could I just ask Mr Bransby to confirm that he is in favour of democracy in local planning applications? In his 10 points, he said that democracy and localism were both problems, but he did not say that he actually supported them. I would like it on the record that you support democracy in the planning system, as an essential part of the difficult job in planning of competing demands.

Guy Bransby: For the record, I absolutely support democracy in the planning system. It is the tenet of the planning system that we have in this country, which has been copied by other countries around the world. I did not say it at the beginning, but I am also ex-local authority, so I have experience being in both different roles.

Baroness Parminter: Good, I think that is important for you, as well as for us.

Q187 Lord Freeman: Good morning. My question relates to what happens after planning permission and then failure to deliver. The formal question is: what are the main reasons why the granting of planning permission does not always translate into new housing

delivery? Is there a case for the compulsory registration of land acquired for housebuilding—in other words, in order to prevent alternative use or no use?

Guy Bransby: My Lord Chairman, would you like me to start again? I also have a few points, which I will just run through very quickly, not as many as 10 this time, I hasten to add. In no particular order, the parties obtaining planning permission are frequently not the developer themselves, so it might be the landowner or it might be another party interest that will not actually deliver the development. That is a natural state of affairs, whereby the developer does not achieve the planning permission.

Mr Penfold has already made my second point, but it is about the time it takes to discharge the large number of conditions on any planning permission, which can take time. My third point is a broader one, which is that a lot of delivery, particularly of housing, is market-driven. There are obviously market circumstances that are both local and national that will drive that. My penultimate point is a broader one as well, which is that there are wider economic factors, be they the cost of materials or the unavailability of labour, which will dictate housebuilding rates. Finally, another broader point is that, since we have entered recession and then come out of it, the number of housebuilders and developers able to actually deliver big housing schemes has reduced, in my opinion, because a lot of the smaller and medium-sized developers, housebuilders and construction companies unfortunately went out of business. There is a mixture of points there that are both planning-related and broader market-related.

The registration of land is a good idea in principle, but I would probably need to understand it a little bit better. The devil would inevitably be in the detail. As a principle, if it involves zoning of land or permission in principle on brownfield land, it is a welcome addition, but, as I say, the devil will be in the detail.

Richard Lemon: I think Mr Bransby has stolen my thunder again.

The Chairman: Next time round, I will ask you to come first.

Richard Lemon: On the point that Mr Bransby makes about delivery being market-driven, of course housebuilders do not want to flood the market with products on day one, so there will be a drip-feed of product to the market, otherwise the price will fall. Inevitably, it is not all going to be built the day after commission. Incidentally, it is worth considering whether or not other housing products might better serve the market here, so it is not just homes for private sale or market sales but homes in the private rented sector, for example. That might

help boost delivery, but there is not a great deal of encouragement for that sector at the moment from central government. It is talked about as a broadly good thing, but at this stage there is no great incentive for it, so that might be something to look at.

The Chairman: We can mention that to the Minister and see what he says.

Richard Lemon: Thank you. On the point about the compulsory registration of land acquired for housebuilding, I am not entirely sure where it would get you and what benefit it would have. Moreover, I am not sure how it would be workable. A site might well have been pretty obviously bought for housing if it is by one of the major volume housebuilders, but if it has been bought by anybody else, then who knows what their intentions are for it? Is it housing, is it a mix of uses, or is it something else entirely? I am not sure where it would get you. Nor am I sure that it would be practical.

Adrian Penfold: It is an interesting question. I read Kate Barker's response to the same question when you talked to her, and she talked about absorption rates and the idea that only 100 dwellings per year could be released from any single site. We are not housebuilders, although we do build residential and we do build what we get planning permission for. I do not think we ever get planning permission and then do not build it. That is not our business, but it sounds broadly right. That point about tenure mix is absolutely right. I will give you an example of a development in Southwark. I understand you visited Southwark.

The Chairman: Yes we did and we were very impressed.

Adrian Penfold: We are working with Southwark Council on a scheme at Canada Water, where we own the shopping centre and 45 acres of adjacent land, for something like 3,000 dwellings. Certainly our plan is to provide some of that as built to rent. Obviously some of it would be social housing as well. There is a mix of tenures there and we can build those different tenures out alongside each other, which should mean—and will mean, I believe—that we can get well beyond 100 units per year. Certainly our plans would be well in excess of that. I think that is an important point to mention.

Savills produced a very interesting research note on sites getting planning permission and then not being built out. If you have not seen it, I would recommend it to you. It seemed to show that in the areas of highest demand, what gets planning permission does get built out. They looked at three-year averages of consents against housing starts. I will just look at my notes here. In South Bucks and Woking, for example, there were five times as many starts on

site as there were planning permissions granted in those three years. Other examples were Merton, four times; Elmbridge and Watford, three times; and interestingly in Newcastle, there were four times as many starts as granted planning permissions. Again, it seems as though the picture is varied. It is dangerous to come away with one picture or idea that covers the whole country. That is not what is going on in the whole country, although it is certainly going on in parts of the country.

Q188 Earl of Lytton: Good morning, gentlemen. As you probably know, I am a chartered surveyor. I wanted to unpick one thing that has puzzled me, and that is the alternatives and whether you have lots of small sites and a dispersed approach to dealing with housing numbers and the five-year land supply as opposed to the strategic large sites. Now, we have already had before the Committee issues to do with the cost of infrastructure and stuff like that, but some housebuilders are saying to me that the only way you are going to get the numbers up is by having lots of little sites, because that will give the choice and enable the sort of build-out rates to be delivered in practice. Is that the situation in reality? Do the strategic sites essentially always have a constrained build-out rate, because that locality can only really expect to deliver a certain proportion every year? Is that the issue?

Guy Bransby: I am happy to take this question. The answer probably lies in both, actually. There is a combination of strategic site delivery and indeed delivery through smaller sites. I have sympathy with the view expressed by others who have come to see you; it has been my experience as well. It leads on to a recommendation that I was going to put to you that the local planning authorities, which know their boroughs better than anyone, maybe with the support of the private sector, should be encouraged to identify where those small sites are. Spending time in the borough where I live, there are plenty of vacant brownfield underutilised sites that seem ripe for delivering small pockets of housing, but there is no central database that audits where those are and what their potential is. That would be a recommendation of mine. A couple of local authorities I am aware of do have such a record of sites that are then promoted through the planning system, but that is very rare.

The Chairman: Can you give us any idea of which local authorities do it right?

Guy Bransby: I am happy to. It is near where I live, so I can refer to the London Borough of Wandsworth. It has something called a site-specific allocations document, where the officers of Wandsworth Council have been around, walked the streets, identified the sites and then allocated those for future development. That is a good example that I can refer you to.

The Chairman: That is very useful. Thank you very much. Do you think that is particularly important in London or for the rest of the country? Sometimes we are a bit metro-centred. Do you think there are any other local authorities in Nether Stowey or wherever that would have this idea?

Guy Bransby: My view is yes, that is right. I understand that you visited Birmingham as well, which is an example of a city that has done wonderful things to regenerate and grow, and to deliver housing and commercial space. Yes, I think it is more than just a London idea. It could be countrywide.

Richard Lemon: I should add, if I may, that most local authorities do or should have a site allocations document as part of their local plan. The difficulty is that many have found it so difficult to get their basic strategy in place that they have not yet got round to doing a site allocations document.

The Chairman: Are they guarding it because it is personal to them and they do not want anybody else to come along and make a bid for a site?

Richard Lemon: No, I do not think so.

The Chairman: Good, so it is open knowledge.

Richard Lemon: Absolutely. I am certain that in some cases the smaller sites do not get picked up because they are perhaps too small. That ought to be something that local authorities are looking at a great deal more. In the borough in which I live there are a number of sites that are probably in a variety of ownerships. If somebody, the local authority or another party, could assemble those sites, which are currently very low densities, with a mix of fish and chip shops and a car showroom, all one-storey, five minutes' walk from a station where there is a train every four minutes, you would think that that really had to be a site for some decent housing development. As I say, if they are in multiple ownership, it makes it fairly unattractive to a developer. Along the way, someone has to get involved and pull those sites together.

Adrian Penfold: A lot of those sites are owned by public sector bodies as well. There is a huge opportunity there. That again relates to the resourcing and skills within those public sector bodies and whether they have people who can bring forward those sites.

The Chairman: They would just say, "Well, what about that site there?". It is local knowledge.

Adrian Penfold: Exactly. If they have some expertise in that area, that is very helpful. The other advantage with smaller sites is that they can be taken up by smaller businesses. What we are seeing in housebuilding is an increased focus on smaller and smaller numbers of major housebuilders providing most of the housing. There is a need to try to encourage the SMEs, which are presently just going out of business. The NHBC had a figure of 400 builder SMEs having gone out of business in the last year. It would be good if some of those smaller sites could be given to smaller builders to bring forward housing development.

Guy Bransby: Am I allowed to add, my Lord Chairman, that I think those smaller sites are being missed? The in-fill sites and the smaller parcels of land are being missed. The strategic allocations and the medium-sized sites are being picked up; it is the smaller plots that are being missed.

The Chairman: That is very interesting, because big oaks out of small acorns grow. I am sure that is true. That is very interesting. Who is next? Lord Inglewood.

Q189 Lord Inglewood: On this topic, you have a planning register that shows you the planning consents on land. We know that. We have a land register, which is working towards providing a cadastral survey for the whole country, so you can combine the two together. If you have some sort of allocation document produced by the local authority, combined ultimately with the power of CPO, if it is in the interests of planning to do, if you have owners who for some reason or another do not want to proceed and the project would be in the public interest—bearing in mind that one of the general characteristics of developing land is that you end up richer than when you started—is there really any need for anything more?

Richard Lemon: Do you mean in terms of larger strategic allocations?

Lord Inglewood: Registers and all that. If you want to find out who owns a bit of land, in reality it is not that difficult.

Richard Lemon: No, you go to the Land Registry.

Lord Inglewood: You go to the Land Registry. If you want to know if it has planning consent on it, you look at the planning register. If you want to know whether it has potential, you either look at whether an allocation document has been produced or you talk to the planning officer, so is there a need for any further registers in this area?

Guy Bransby: My view is that there probably is to pull all of that together. I can see a case for establishing who owns the land or whether it has the ability to come forward for

development, but the piece that is missing is what land use and scale of building would be appropriate and what the wider community benefits should be both for the local authority and for the local people. That piece is missing for me. I gave the example of Wandsworth earlier. It has produced a document that makes very clear the land use, the height, the scale and the benefits that must accrue from any development on that piece of land.

Lord Inglewood: Is that not something that the planning authority should be doing now? Therefore, there is no need to introduce statutory registers or any other sort of register. You just need them to get on and do what they are meant to be doing.

Guy Bransby: They should, but this is where I am very sympathetic to local authorities.

Lord Inglewood: I do not dispute that. That may be a separate issue of resourcing or whatever; it is not an issue of the way the system would work if it was working as a well lubricated machine.

Adrian Penfold: I agree with that, and I am part of a government expert group looking at local plans at the moment. We are due to report in February, and I am sure that is one of the things that we will be thinking about. The land that is included on the strategic housing land assessment, which is a very important part of the plan-making process, tends to exclude the very small sites. It starts from five houses and up or half a hectare and up, so some of the smaller sites can get missed.

Lord Inglewood: Mr Bransby's point about his local authority's work was that they will pick that up.

Adrian Penfold: The Wandsworth model sounds really interesting and may be something that we, as part of our group on the local plan side, ought to be looking at. I will take that away.

Baroness Whitaker: Should we have a word about viability?

The Chairman: That is the next question.

Q190 Lord Inglewood: The question that I was allocated to put is about assessing viability. Once you have the consent and everything, you then actually have to deliver as a developer and assess all kinds of aspects, which will probably be different in each site, which will then enable you to take a decision in detail about the financial worth of going ahead with a particular project. Are there any particular changes in the way that the system works that would enable you to achieve that either more accurately or quickly than at present? There is an awful lot of negotiating with various people that has to go on.

Adrian Penfold: There are two points to that, really. One is the way that viability is used in the planning system. It is increasingly used. When I started as a planner, “viability” was not a word that was used, but now it cuts across most or a lot of the planning work that we do, for example on affordable housing, on CIL and on heritage issues. It is becoming increasingly important, and I have some concerns about that.

For developers, and I work for a development company, viability is obviously an important part of the work that we do, working out whether we actually want to invest in something or build something, or not. That is not just a snapshot on value for us; it is a broad view that we would take on a range of issues on the market, the economy, where we are in the cycle, and what interest rates, values and rents are likely to do. On all those things, we will have a strategic company view and what sort of returns we would expect in order for us to invest. The sorts of returns we would expect might not be the same as the sorts of returns that somebody else would expect, so we look at all those things.

What planning could do to make that easier involves certainty. The more certainty we get about what we are likely to be able to build, and the quicker we get it, and how quickly we are likely to be able to get planning permission, the easier it is, because a lot of this is really about predicting the future, if you think about it. The longer ahead you need to predict the future, the more difficult it gets. Speed and certainty are the two points.

On the point about the use of viability and viability assessments in the planning system, I get increasingly worried. There is a lot of cynicism and mistrust out there among local communities and members of planning committees about the way viability is used to argue about levels of affordable housing, for example, which should be provided on any particular site attached to any particular planning permission. There is this idea that developers are coming in with an assessment that is not really their true viability assessment but something that tries to argue the value down. The way it works encourages game-playing on both sides. Developers probably do that, and on the other side local authorities are putting pressure on their advisers to argue the value up for more affordable housing. It is the nature of the British planning system.

Lord Inglewood: Is this tension inherent in the system of arrangements that we have, and can you do nothing about it structurally? We just have to live with it.

Adrian Penfold: No, I do not think we do have to live with it. If you think about it, what we are trying to do is work out a level of tax or social value that is going to come from a

particular development. We increasingly use viability assessments to do that. How much affordable housing? How much contribution to whatever it is—how much CIL would need to be paid? There are other ways in which you could tax. CIL in itself is another way. We do not actually apply the viability assessment on a site-by-site level; we apply it across the area, and the developer or investor comes in and knows how much CIL will need to be paid in order for that development to go ahead, so it gives you a level of certainty.

The other concern I have about all this, which applies to CIL—and this can get quite tricky—is that that payment has to come upfront. How many taxes do we know where you pay the tax collector in advance of actually having earned any money? If the income tax inspector came to you and said, “I think you are going to earn £70,000 a year for the next three years” —

Lord Inglewood: That is what he does.

Adrian Penfold: Does he? You pay on what you earn.

Lord Inglewood: You pay on what you earned last year for next year, but I take your point.

Adrian Penfold: Perhaps, but I think it would be better, if we could, to tax profit rather than expectation of profit. If that is not possible, then it would be better to do it on an area-wide basis than on a site-by-site basis. That would be my view, largely because it is beginning to bring the planning system almost into disrepute. People do not trust it, and that is not a good thing for any of us.

Lord Inglewood: There is a lot of gaming in the system by all kinds of people.

Adrian Penfold: Absolutely, there is gaming.

Guy Bransby: I have a couple of suggestions as well, which I hope address the question. I have three ideas and maybe one debating point. As Mr Penfold has said, they all come down to the fact that you have this system where you have an applicant trying to agree a position with the local authority, and the two might not necessarily be trying to get to the same endpoint. They are driven by different things. The way the process works at the moment is that the applicant produces a viability report, which is sent to the local authority, which then reviews it independently, and they try to reach agreement. My three ideas are that, first, the local authority and the applicant could appoint a single viability consultant who is briefed by both parties, is independent and comes to an independent view, rather than the two parties paying for their own viability consultant to produce their own work, which is then discussed and hopefully agreement reached. That would be one suggestion; you have a body of independent viability consultants who represent both sides.

My second suggestion is that there should be an agreed principles methodology for producing viability assessments, which does not currently exist. Again, to give you the example of Wandsworth, because that is where I am, Wandsworth has a one-page methodology statement on agreeing principles for viability, so you know where you are starting from and you do not have to have debates about what the benchmark value should be, how you apply yields, and so on and so forth. I would suggest that a national agreed methodology for viability might be a good idea.

Lord Inglewood: Can I ask you who would agree it?

Guy Bransby: That is a good question. The RICS has guidelines, which are a good starting point, which people in my profession will use. That may be the suggestion there. My third idea is that these viability discussions can sometimes take a long time, particularly if the two parties cannot reach agreement, so I would advocate an objective of agreeing a position within a set timescale. It must be agreed within 28 working days or similar, and, if not, there might be some sort of independent arbitration process that deals with it, because these can be long-winded open-ended discussions.

Lord Inglewood: Are we getting back to your previous comment about judicial review?

Guy Bransby: We might be. I do not know if we have the time—and, if we do not, please let me know—but I did want to touch on the point of overage clauses that sit within viability. Would that be helpful?

The Chairman: Could you send us a note on that? I am very conscious of the fact that I am not giving enough time to various people. For example, Mr Lemon, do you have anything to say on this particular issue?

Richard Lemon: Funnily enough, I took some advice from colleagues who specialise in affordable housing viability assessments yesterday, and they made exactly the same suggestions as Mr Bransby on a set of guidelines on which everyone can cluster and agree. Whether these guidelines are RICS guidelines, government guidelines or RICS guidelines endorsed by government, I am not sure, but as long as everyone is working to roughly the same template and they agree about whatever they are using existing-use values, benchmark land values or whatever they might be, that has to be a sensible way forward.

The Chairman: Is there a history of having guidelines in this sector? No, because there is no central trade association.

Baroness Parminter: Yes, because, as mentioned, they each have their own determination of what the return would be. That would be part of the package.

Guy Bransby: It is only the RICS, I understand.

Q191 Earl of Lytton: I would just say on that last bit that we had a paper sent to us that rather suggests that the profit margin on development ought to be 15%. That was the figure that was suggested. If these gentlemen are writing to us, I would really like their thoughts on whether a 15% margin is realistic and practical. Do not bother to answer now, because I am going to ask the question that I told the Chairman I wanted to ask.

I touch on things that are possibly related to social prejudice here, so I tread slightly carefully. The question relates to the affordable housing element incorporated within developments. We have gone away from the old thing where they used to be put on mass housing estates and they were over there somewhere. They have now all dispersed around the thing. Is this universally regarded by housebuilders as a satisfactory arrangement, and whether it is or not, does that sit behind the Government's idea of moving towards starter homes, where it will effectively be a sale of the freehold at a discounted figure, rather than affordable housing at a discounted rent, as I understand it? I wonder if I can have your comments.

Richard Lemon: On the point about affordable housing being secured through the planning process, it is something that developers have come to live with, although they accept that it is right and proper that in some way they make some provision for affordable housing. As Mr Penfold mentioned earlier—forgive me, Mr Penfold, if I am putting words in your mouth, and correct me if I am—it is almost a negotiable tax on the grounds of a one-liner in the National Planning Policy Framework about creating mixed and balanced communities. We must always remember that this must always sit in the context of creating mixed and balanced communities. It is something that developers are accustomed to and they accept that it is almost certainly here to stay.

On the point about starter homes, I of course support the Government's desire to get people on to the housing ladder, but I am concerned that the measure as proposed will simply squeeze affordable housing, by which I mean intermediate products, as well as the social rented sector. If developers are being asked to subsidise starter homes as their number one priority, something else will inevitably get squeezed. A lot of infrastructure is already

provided for by CIL, which is already non-negotiable, so that only leaves affordable housing to squeeze. That will inevitably be where the pain is felt.

Baroness Whitaker: I have a quick question and a case in point. I do not know if it was Mr Penfold's development or not, but when we went to Southwark Council, they told us that the affordable housing proportion had been driven down. My recollection is that it was down to 25%. I just wondered what the considerations were that enabled it to be driven down if it was not your development.

Adrian Penfold: It was not my development. The development that we are doing is actually a joint venture with Southwark Council.

Baroness Whitaker: What is the proportion of yours?

Adrian Penfold: Thirty-five per cent, and that is consistent policy, working very closely with the council. What brings it down to 25% is that viability discussion we have just been having.

Baroness Whitaker: What considerations would make that the case?

Adrian Penfold: Basically the developer would say, "If we have to provide 35% affordable housing, we will not be able to afford to do this development". That is the argument that is being made.

Guy Bransby: May I just add that it also comes back to the other question about acceptable levels of profit? That is the nub of the discussion, and whether that should be 15%, 17.5% or 20%.

Adrian Penfold: It comes down to other issues as well. We can get very technical here if we are not careful, but often the viability assessment issue is about the existing value of the site that you work off. There is quite a detailed technical argument about whether you work off what is called an existing-use value or a market value. That becomes quite important in those discussions, as do all sorts of other things. They are very complicated discussions, which is why there is such a problem with them.

Q192 Lord Inglewood: Standing back from the detail, this approach has evolved over the last 20 or 30 years. Are we as a nation better or worse off as a result of it having happened? In the old days, it was much more free market. Things happened more quickly. More houses may have been built. Is this clogging up the system or is it adding value to it?

Adrian Penfold: What do you mean by "this"?

Lord Inglewood: The whole thing: the viability assessment together with all this other haggling and negotiating.

Adrian Penfold: I will be clear: I do not think providing affordable housing is clogging up the system.

Lord Inglewood: No, but it gets more complicated than that, does it not?

Adrian Penfold: The viability approach does make things take longer. As I have said, people do not understand how you get to that 25%. Exactly that question is asked and people do not understand it.

Lord Inglewood: My question to you is whether this approach adds or detracts value, from a national overall perspective, for development in this country.

Adrian Penfold: My view would be that it detracts value, because it is so complicated, and there should be an easier, simpler way of doing it.

Lord Inglewood: Is that the view of the other two of you?

Guy Bransby: That is right, but inevitably it depends on where you are coming from.

Lord Inglewood: Of course it does. Everything is site-specific.

Guy Bransby: I meant more whether you are a resident or a developer.

Lord Inglewood: Yes, but it is also site-specific.

Guy Bransby: It is site-specific, yes.

Lord Inglewood: We have to stand above all this and try to take an overview.

Adrian Penfold: Can I just come back? I do not think it is a question of free market or not free market. We all accept that development should pay for infrastructure and for social goods. That was an argument 15 or 20 years ago, but it is no longer an argument. We have all absolutely accepted that. The question is how you do it: what is the best way of doing it?

Guy Bransby: I agree.

Q193 Baroness Whitaker: I would like to go to the broader question of place-making as a whole. I was interested in Mr Penfold's design quality charity. How important are design considerations in development schemes, and where does design, by which I mean place-making—the whole place, not just an attractive something or other—rank in the priorities? How prominent is place-making in your thinking and how can it be encouraged? I also noted what Mr Penfold said about the infrastructure having to be in place. We have not talked about employment, but it is possible to have housing to such an extent that it annihilates all the workplaces in an area. Can you give us some thoughts on that, please?

Adrian Penfold: The answer to your first question is that place-making is crucial to our business. You just have to go to our website to see. You will land on a page that talks about

place-making being at the heart of our business. Our investment strategy is focused on place-making, so we invest in places and we believe that we have skills in making and in improving places, and that by doing so we can create value—for our shareholders, which is obviously very important to us, but also for the wider community.

Baroness Whitaker: For the record, could you list the elements of place-making, because we often tend to ignore some of them? What are the key things?

Adrian Penfold: Probably at the heart of it sits the public realm, the places which the buildings sit around. The buildings are important, but the public realm—the squares, the streets—is even more important. Part of what goes to making those streets is what sits on the frontages of those streets: the retail, the cafés, the bars and those sorts of uses. It is also quite important how you activate those places and spaces. For example, we have a lot of farmers’ markets now. We are probably one of the biggest landlords of farmers’ markets in the country, because a lot of our places have farmers’ markets to make those places interesting to people. A mix of uses is also important, which you touched on: the mix between residential, different tenures of residential and the employment space. If you just have employment space, it can become a very sterile space in the evenings and at the weekends. If it is just residential, you tend not to get the level of activity at ground level that you would get if you had employment.

Baroness Whitaker: What about transport?

Adrian Penfold: Transport is absolutely key to the work that we do. We tend to be very involved with the transport providers of a place. When I talk about places, what am I talking about? I am talking about Broadgate. We own and manage Broadgate. A large part of Paddington is ours. Regent’s Place is a big estate up in Camden, on the Euston Road next to Warren Street Tube. Canada Water is the development in Southwark that I talked about. For all those, transport is key, and we will get involved proactively with the transport providers and the local authorities in improving transport. At Regent’s Place we spent a very large sum of money on improving the ability to walk from Warren Street Tube station on the south side of Euston Road to Regent’s Place, which is on the north side of Euston Road.

Baroness Whitaker: How can that approach be encouraged? What you say happens here and there, but it is not the norm.

Adrian Penfold: It is not the norm. British Land is not the only company that believes in this and thinks that this is a way of creating value. If you look back over the centuries, you will

see great estates in London: the Grosvenor Estate, the Portman Estate, even the Crown Estate. It is their model that we are adopting in some senses.

How can you encourage people to get more involved in that? The housebuilder model is a different model. It is, “We will invest and then move on to the next investment”. Build to rent can have an impact on that, because when you build something in order to rent it out to people, the long-term management of that place becomes of interest to the developer and the owner, so the two can come together quite nicely, which is one of the reasons why we are looking at Canada Water. Inevitably, it will not be the business model that everybody adopts. It is much easier for me. We are a FTSE 100 company; we can think a bit more long-term than some others.

Baroness Whitaker: It is a long-term/short-term thing too.

Adrian Penfold: It is long-term/short-term. We have owned the Regent’s Place development that I talked about for 30 years, and managed it for 30 years. That is a long-term commitment.

Richard Lemon: I wonder if I might add to that. It is also about local authorities understanding the importance of place. I have done a lot of supporting information for planning applications, where we have been looking to provide retail uses, leisure uses, food and drink, restaurants and cafés and so on, in major new developments, making the case that they are so important to creating a genuine place in these new developments.

Baroness Whitaker: Do the local authorities appear to you to get the point?

Richard Lemon: They did. We may come to town centres later, but quite rightly planning policy directs new retail, leisure, and café and restaurant uses to town centres, so that is the first port of call for a planning officer. I have been playing the role of saying, “Yes, that is absolutely right, but you also need those uses in this development as well”, not on a massive scale perhaps. It depends on the circumstance, but it is about explaining to them how important these uses are going to be in contributing to that sense of place.

Baroness Whitaker: Do you find yourself, the developer, explaining to the local authority, which is responsible for the whole place, how they ought to be thinking?

Richard Lemon: Yes, absolutely. It is partly the developer’s role, partly our role as planning consultants and partly that of other consultants. Yes, you are absolutely right that we need to tell that story to local authorities, but we also need to give them almost the excuse so that when it gets to planning committee and the planning policy says, “No, you should not have

retail or leisure floor space here”, they have a reason to say that actually there are particular circumstances here and we must have these additional uses in this development.

Guy Bransby: I have one quick point, please. I think design is important. After the principle of the development, it is probably the most important thing when it comes to schemes, because it is subjective, emotive and important to people. There are some excellent examples of local planning authorities doing really good things with regards to place-making, and I can think of an example in the south-west of the country—and I am happy to send you details—where they actually submit place-making plans with the planning application and, as part of that, a green infrastructure plan. As Mr Penfold was saying, this is not just about how buildings hit the ground, the transport and the landscaping; this actually sets out the greening, the biodiversity and where the water features will go in any scheme. I am happy to provide that.

The Chairman: That would be really helpful. And trees?

Guy Bransby: Absolutely. The green infrastructure plan covers all that.

Lord Inglewood: I just wanted to ask, in purely vulgar commercial terms, how important the difference between a well-made place and a poorly made place is to a scheme.

Adrian Penfold: I can give you an example. We looked back at that Regent’s Place development, which I spoke about, which we have owned for 30 years, to see what has happened to values. I am talking mainly about office rents, but also about residential. The values there have increased at twice the rate of the increase in the West End, and that is because we have made a place rather than just built a building.

The Chairman: Of course what we cannot quantify is the effect on the human beings who actually work, live and walk through these spaces.

Adrian Penfold: We looked at that as well. The area around our estate, which is mainly Camden council housing, is in the top 1% of areas in London where deprivation has gone down in the same period. I must not over-talk this, because it is something I have been involved in and I am very proud of, but everybody seems to be winning there.

The Chairman: Have any articles been published about that? I ask because we have a member of the Committee, Baroness Finlay, who unfortunately cannot be here today, who is very determined that we take into account the effect on human beings, mental health problems and physical health problems.

Adrian Penfold: We worked with the Royal Society of Arts and the New Economics Foundation and produced, early this year or late last year, a document looking back at those 30 years. That is where the figures I have just given you have come from, and I am happy to send you some copies of that.

Baroness Whitaker: I have one brief follow-up, if I may. It is about the design quality charity. Local authorities can obviously choose to use its services or not. How do you and how could the country get them to use that kind of thing more? It is obviously not appropriate for mandatory requirements, but it sounds like a really useful thing. How many use it now?

Adrian Penfold: I do not know. We could probably find that figure. I will see what I can find on that. The NPPF has been helpful, because it has a specific reference to design review, and a lot of local authorities are taking that very seriously.

Baroness Whitaker: They use you.

Adrian Penfold: They use us and there is the design alliance across the country. You have heard evidence from David Waterhouse from CABI, which does similar sorts of work, so there is cross-country coverage of design review. We are seeing a pattern developing that is quite interesting and positive: towns are working with CABI, with us or other members of the design alliance to provide a panel that can look at a number of different schemes. They are working with a design review body, rather than setting it up. Generally setting up your own design review body is more difficult. I looked at this when I was in local government. If you can work with somebody like Design South East, CABI or other members of the design alliance, as a local authority, that is a positive way of doing it.

Q194 Baroness Parminter: I would like to tease out a bit more about the revitalisation of town centres and high streets. Mr Penfold, you have already said quite a lot on this, so perhaps we could hear from Mr Lemon, because you mentioned that this is something you wanted to come back to.

Richard Lemon: Yes, certainly. I am sure the Committee is well aware that the general thrust of planning policy for the last 15 or 20 years now has been to direct new retail and leisure development towards town centres. I think that is an established principle and one that most people support, but we are seeing a changing context in which the retail world is operating now and people are gravitating towards the largest town centres and the smallest town centres. The largest ones are for their comparison goods shopping, their clothes and shoes. They spend a day there, maybe have something to eat as well and go to the cinema.

At the other end of the scale they do their day-to-day shopping, but the town centres in the middle are the ones that are being squeezed and are now looking for a role. My view is that this is going to have to be guided by local authorities and the main landowners in those centres to identify their future role. How do they reinvent themselves so that they are fit for purpose and meet a genuine need? There may be a slightly bitter pill to swallow, which is for those centres to consolidate in some places, so that the fringes, the straggly ends of some of these centres, are converted to residential. As I say, some careful thinking needs to be done about those centres in the middle.

On a more practical level, again you will no doubt be aware that the Government have, in recent years, introduced a number of new permitted development rights allowing the change of use of certain units to other uses. For example, we have seen a new permitted development right allowing the change of use from A1 shops to A2 financial services, which includes banks. That is a very welcome move. The likes of Metro Bank operate some very large glassy buildings that are open seven days a week and throughout the day. They really generate footfall in a town centre. If town-centre vitality and viability is about generating footfall, getting people into their centres and using the facilities, that is certainly a good move.

Some of the other changes have been slightly smaller-scale. Frankly, they are not particularly useful. They are limited to very small floor spaces, so we are really just talking about very small-scale shops. All this has been done through legislation, through permitted development rights. It would have been easier, and it could still be done, to add a single sentence to the NPPF that simply says that local authorities should not resist the change of use of units in certain parts of the town centre—outside the primary shopping area, for example. This comes back to the point earlier about people wanting to spend more on eating out, and so on and so forth. There is a real resistance to opening up restaurants in some places, when actually they are playing a key role in the health of our town centres. There have been some useful initiatives so far, but there is more to do. A slightly less prescriptive and rigid approach is required by local authorities in some cases, which may take some changes to national policy in order to drive it.

Guy Bransby: I have another view, or would you like to move on?

The Chairman: No. How many points do you have this time?

Guy Bransby: I will make it two. The first is making the high streets physically attractive to people, so I am talking about landscaping, public realm, decent, affordable, accessible public transport, making them clean, secure and safe. All that should be funded either through the community infrastructure levy or through planning gain associated with planning schemes. That is about the physical.

The second point is more about planning and policy and builds on Mr Lemon's point. I do think that our town centres should become more diverse. Planning should be more flexible on the uses it allows. I have come across a lot of policies that restrict the introduction of restaurants, bars or types of retail to town centres. I think we should do the opposite and make it more flexible, because that is how places become active, vibrant and attractive. Those are my two points.

Adrian Penfold: The one point that I would make is the impact of the internet. It is worth thinking about that. I had a look at the figures, and something like 4.7% of all shopping in 2008 was on the internet. Now it is nearly 12% and is projected to go to 18% by 2020. That is having an impact. I also had a look at Experian's latest figures projecting a growth in floor space for retail. It is projecting a 13% growth of floor space in retail over the next 10 years, so there is scope for new retail in town centres. We as a company are investing in town centres at the moment.

The Chairman: How strong is that knowledge that there is scope for increasing town centres? I was thinking the other way round—about these big out-of-town areas and even town centres, which always seem to have a John Lewis at one end and something or other at the other. Most people now think that they cannot park their car. They are also becoming much more aware that digital skills are an essential part of their toolbox, so to speak. A lot of this stuff is going to close.

Adrian Penfold: We are the biggest retail landlord in the UK, so this is quite an important issue for us. We are finding that actually there is a synergy between the internet and physical retailing. A lot of the people who are shopping on the internet are also visiting our shopping centres, but they will not visit our shopping centres unless they are nice places to be. Our strategy at the moment is very much about investing in the basics. Investing in car parking is important, you are right, but investing in loos, for example, is also critical, as is investing in the training of our retail shop assistants in the way they greet people and work with people as they arrive to do their shopping to make it a pleasant experience for people.

When you do that, our belief—and we have some proof of this from the studies that we do—is that footfall can be held up and can increase. The internet is not all doom and gloom.

Q195 Lord Inglewood: My cynical friends tell me that people go to the shopping centre, look at the goods and then buy them across the internet, because they are cheaper. Is your footfall turning into money taken?

Adrian Penfold: Some people are doing that, but click and collect is an important phenomenon. People are going to collect something that they have clicked on, and while they are collecting what they have clicked on they will look at and buy other things. Interestingly, even when they are returning something that they have had delivered, and they return them because they do not want to hang about and send them back through the post, they return them to the shop at the shopping centre and also look in other shops and buy. We reckon, when we look at the internet and physical shopping, that there are 10 different ways in which people shop now. I have them, but you will not want them, having had Mr Bransby's 10 points. I will not give you the 10.

The Chairman: All these points have been very useful.

Adrian Penfold: Indeed, but perhaps this is another one I can follow up to give you the 10. Only one of them is actually to click and deliver at home, and that is it. The other nine all touch on physical retailing in one form or another.

Richard Lemon: My Lord Chairman, if I may respond to your question earlier about out-of-town retailing, you are quite right that people increasingly like to shop out of town. In order to respond, town centres have to make sure that they offer what out of town offers, which is plentiful free parking. The town centres must provide the sites for large-format units where people can go and shop and know they will have the size of trousers, dress or whatever it is they are looking for. In order to push that over the edge, it comes back to this place point. It is about going and enjoying your experience as a shopper. I think Mr Penfold made that point a moment ago.

The Chairman: Mr Penfold, how many psychologists do you employ?

Adrian Penfold: We do not employ any psychologists, but we have been working with a Canadian company called Happy City. If you get a chance, have a look at Happy City. I think it has a website. It looks at the psychology of shoppers and people in town centres.

The Chairman: I think it is a very important point. Thank you very much. Lord Woolmer.

Lord Woolmer of Leeds: Given the time and that this is a huge topic, do you want me to ask it?

The Chairman: Give it to them and see if they can agree to send us some information.

Q196 Lord Woolmer of Leeds: You have touched on some trends, looking into your crystal ball, but apart from the internet and so on, what other trends affecting property markets and sustainability will have the largest impact on the built environment? Do you think national policymakers and local authorities have this kind of time horizon, as well as the immediate?

The Chairman: There are a few more lists coming.

Adrian Penfold: I am afraid I have a list. I have seven actually, but I will go through them very quickly. Technology and the internet is a big one, but there is also 3D printing, for example. I noticed Professor Worthington is here, who will probably know about this than I do. I am told that in China they can produce 10 3D blocks in 24 hours. The only problem is that they cannot produce the roofs for these buildings, but they can produce the building. It is one to keep an eye on. From our perspective, the key one is still globalisation and the global movement of capital around the world, from which obviously London and the UK more generally are benefiting at the moment, but that can change. It is very much something to keep an eye on. Some of the drivers by the Government relate to devolution, for example. Devolution is an important theme for planning, and we are looking at it very carefully in our local plan work to see what it might have to offer. We have touched on sustainability and place. Climate change is a huge issue, as is an ageing population and what that means for the sorts of developments that we build and the sorts of places that we manage. Finally, there is the growth of London. There is just huge growth going on in London, and the question is how we accommodate that and provide the infrastructure. How well government is doing and how capable it is of dealing with all those things is probably another session and a half, is it not?

The Chairman: It is probably more than that. Thank you, Mr Penfold. Mr Lemon and then Mr Bransby.

Richard Lemon: I will pick up three points very quickly, if I may. Call them trends, call them challenges, or whatever you like, but I picked up three. The first is the continuing and overwhelming need for new homes, which we must deliver, and we are not getting to grips with that. The second is the future of our town centres. How do the secondary ones I

mentioned earlier reinvent themselves? Thirdly, how do we deliver the necessary infrastructure? Are we getting to grips with that? We are still not quite delivering enough homes, by all accounts. We are getting there in town centres, but there is more to do. On infrastructure, some of the recent moves have been welcome. It is worth picking up on or giving some credit to the Mayor of London and the GLA on their infrastructure 2050 document, which tried to look a bit further ahead, not just until the end of this mayoral term but well into the future. There are signs that things are being done, but there is far more to do, I think.

Guy Bransby: I will make my four points, but I am happy to make a submission to cover the detail, given the time.

The Chairman: That is very kind, thank you.

Guy Bransby: The topic headings are release of green belt land for new housing and whether that is something that we feel can be supported and is appropriate. That is the first one.

Baroness Parminter: That is not a trend, that is your proposed solution, but carry on.

Guy Bransby: It is not, actually. I am happy to make a submission on that point, if you would welcome it, but it is not my personal view. The second point I was going to make was about energy performance and the need for carbon reduction, which touches on some of the sustainability points that we have made. The third is climate change, which Mr Penfold has touched on that, but more than that it is about subsidies, increased taxation and scrapping things like the Green Deal improvement funds. A lot of decisions are being made by government that are changing that landscape, which addresses the second part of your question. The final point goes back to where we started. I touched on, but did not explain very well, the difference between conflicting demands of localism and growth. My personal view is that both are incredibly important. There needs to be democracy in the planning system. Local people need to be involved, but how that marries up with the agenda to drive decision-making, growth and investment is something we still need to tackle.

The Chairman: In our very first session we heard about BANANA, which is “build absolutely nothing anywhere near anything”. It is the new word for nimbyism, I am told. This localism is a big question. As you can see, I think we have bitten off more than we can chew, but we were given the remit. Your contribution, from all three of you today, has been terrific. Thank you very much indeed. If you wake up in the middle of the night and think, “Oh, we should have said that”, you know where to find us. We would be very grateful. Thank you.

