Written evidence submitted by Urban Vision Enterprise CIC & D2H Land Planning Development [FPS 037]

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Urban Vision Enterprise CIC

Urban Vision Enterprise is a social enterprise providing professional services in planning, regeneration, economic development and third sector organisational development. Clients include funding bodies, UK and national professional and membership bodies, local authorities, parish councils, neighbourhood forums, and local community groups.

Specialisms include: planning mediation; neighbourhood planning, heritage-led regeneration and conservation; urban design, community engagement and consultation; community-led development and projects; training, and education; organisational development.

D2H Land Planning Development

D2H provides professional services in planning and development. Clients include house builders, property developers, housing associations and trusts, local authorities, architecture practices, legal firms, businesses, community organisations and contractors for major infrastructure projects.

Reason for Submitting Evidence

We have extensive experience across the sectors and ranging from national level strategic issues to local delivery.

We believe that planning should be:

- A creative, problem solving activity;
- A place-making activity;
- A participatory activity.

1. **Is the current planning system working as it should do? What changes might need to be made? Are the Government's proposals the right approach?**

The Current System

Much of the discussion of the planning system is based on the of whether it is 'broken' or not. This is a simplistic and binary question. The reality is that the planning system works well in some ways and not so well in others.

The purposes of the planning system remain relevant:

- Ensuring the external impacts of development are taken into account;
- Allowing communities to have a say on policy and also development proposals for specific sites;
- Allowing Government to specify social, economic & environmental priorities, including meeting international commitments on Climate Change;
- Providing a mechanism for mediating interests;
- Protecting the natural environment & built heritage;
- Considering adequacy of infrastructure;
- Creating more certainty and investor confidence.

Aspects of the planning system that are working relatively well are:

Neighbourhood Plans: Neighbourhood plans have succeeded in involving many more people in the planning process and gaining wider support for sustainable growth. Urban Vision Enterprise has supported more than 100 neighbourhood plans and many of these have additional sites forward. In addition, many neighbourhood plans contain other policies to enable growth, including for town centres, high streets, diversification of employment, heritage-led regeneration, and addressing viability challenges.

Flexibility and Democratic Accountability: The discretionary planning system allows for local decision-making, against the context of national policy and guidance. Local politicians are held to account, with planning factors sometimes being a significant factor in public voting. It is essential that the ability for communities and businesses to participate at both plan-making and planning application stages be maintained.

Protection of the Natural and Historic Environments: Generally, the planning system has provided a means of protecting sensitive environments, whilst also recognising that many have economic value, however, there are inconsistencies.

Aspects of the planning system that are not working or are working less well are:

Economic Imbalance: Planning policy and also Government programmes to enable development are based on assumptions of the economic conditions of London and other high-growth areas, with affordability as the key challenge. In many parts of the country viability is the key challenge, not affordability. In addition, the need to attract employment and create economic opportunity are key challenges. Indeed, housing would only become more viable if economic opportunity is created. Due to the current emphasis on achieving growth in high growth areas, current policy is stoking

land and property-price inflation, whilst under-performing areas are allowed to stagnate.

Complexity: The planning system is very complex. The Local Plan process has become over-complex and slow. Whilst the issues that the planning system needs to consider are complex, there is scope for creating more consistency in the process. The Planning White Paper proposals will create further complexity and delay, especially though granting of planning permission through the local plan process.

Under-resourcing: Local planning authorities have lost general planning skills, specialist skills and capacity. Our experience suggests that this is reflected in some instances in poor quality decision-making. This is one of the reasons for the slow progress on local plans.

Planning White Paper Proposals

Local Plans should be simplified, but the actual proposals would complicate the process, in particular as growth areas would grant planning permission, so would require a higher level of evidence and analysis. The public purse will need to cover many costs which would be covered by developers or landowners under the current system. The proposed timetable for Local Plans, which would now grant planning permission for some sites, are hopelessly unrealistic.

Growth Areas should only be used where they would have no impact on sensitive areas (residential areas, business areas, town centres, historic areas and buildings, green and blue infrastructure and anywhere else where people live, work or visit).

Renewal Areas would reduce the ability for people to influence planning decisions in some instances, even where sites are in close proximity to their homes, businesses and neighbourhoods.

Protection Areas may work for green and landscape areas, but not conservation areas. Many conservation areas are subject to considerable change. The term 'protection' is therefore misleading. At the same time, it would be unacceptable for conservation areas to move to renewal areas, which would weaken protection and lead to harm.

Renewal areas could be replaced by **'complex areas'** where change is taking place, but proper planning scrutiny is essential, including the ability for people and businesses to influence proposals at the planning application stage. Such areas could include town and city centres, residential, business and commercial areas, conservation areas and designated neighbourhood areas.

There is no point in local plans repeating national policies. However, centralisation of policy-making will lead to poor outcomes. Local solutions are likely to be more realistic and deliverable.

The proposed focus of Local Plans on rules and codes is far-removed from the innovative, entrepreneurial and creative forces that have transformed out towns, cities and neighbourhoods in the past, and which are trying to keep businesses afloat in the present, and which will be even more vital, in the post-COVID recovery.

Neighbourhood plans have proved to be a means to bringing forward policies and sites on a faster basis, but are down-graded by the White Paper proposals in the following ways:

- The proposed zoning system is focused on Local Plans, leaving little scope for neighbourhood plans to define and enable growth;
- The need for planning applications is removed in some circumstances, so neighbourhood plan policies would not be applied;
- The narrow focus on design codes for neighbourhood plan misses the motivations of many that have created neighbourhood plans.

This diminution of the role of neighbourhood plans in policy making and allocating sites will lead to less growth and disregards the thousands of hours spent in prepared plans.

The removal of the ability to participate in planning decisions for specific sites and developments will reduce the ability of people to influence detailed design matters. Design codes will not pre-empt all circumstances. The focus of design proposals on beauty, rather than design fundamentals, increases this problem.

Changes Needed

Areas with low-land and property values, where viability is the challenge rather than affordability, are largely ignored. The result is that planning policy and development programmes have stoked inflation in high-growth areas, whilst areas with viability challenges have been ignored. Numerous organisations have made representations on this.

The main barriers to the creation of up-to-date Local Plans are:

- Under-resourced planning departments;
- Legislation, policy and guidance changes frequently;
- The whole plan has to be revised, rather than incremental updating.

These need to be addressed if the Local Plan process is to be made quicker.

Any new tests for Local Plans should include the following:

- A stronger focus on combatting climate change, including clear, specific and practical requirements for development;
- Infrastructure impacts, including the wider strategic context (we don't understand the proposed removal of the duty to cooperate);
- Consideration of local need, but also the ability of markets to deliver against the local economic context;
- Explicitly addressing economic rebalancing, including viability challenges and also considering the social, economic and environmental consequences of further developing areas suffering from land-inflation, congestion and poor air quality. If a Local Plan stokes inflation in high growth areas or fails to address the economic challenges in underperforming areas, then it should fail.

2. **In seeking to build 300,000 homes a year, is the greatest obstacle the planning system or the subsequent build-out of properties with permission?**

In terms of sites being made available, there is clearly inconsistency across the country. But it is clear that many sites with planning permission remain undeveloped.

To improve build-out rates, it is necessary to understand the housing market and the business model used by house builders. House builders vary greatly from dynamic and entrepreneurial companies, which focus on quality of outcomes, to more short-term approaches, where the quality of product is often poor. The rate of delivery of housing is limited in order to protect values and remain profitable. It is pointless for Government to criticise this – development is a risky business and developers will quickly go out of business if the rate of supply is out-of-kilter with demand (demand is not the same as need).

To improve build-out rates, the following practical measure could be taken:

- The NPPF should be redrafted to recognise low growth areas, where viability is the key challenge, rather than affordability. In particular, it should be recognised that housing delivery in such areas depends on the creation and expansion of employment (economic opportunity).
- Government programmes should avoid stoking inflation in areas where the land economy is overheating and instead focus on closing viability gaps.
- This includes land reclamation, infrastructure and incentives for employment to locate in under-performing areas. This is not a simple north-south issue – we work in parts of the south-east where there are viability challenges.
- More support should be given to alternative forms of housing delivery, in particular by community-led and not-for-profit organisations, which can address specific local needs and work with longer-term business models.
- It should be recognised that CIL does not work in low growth areas. Practical alternatives are needed.

3. **How can the planning system ensure that buildings are beautiful and fit for purpose?**

The use of the term 'beauty' is unhelpful. This suggests a focus on personal stylistic preferences, rather than the more fundamental design issues that matter to our clients. It is clearly not a legitimate purpose for the planning system to impose the personal stylistic preferences of the more vocal members of the community on the wider community. Some of our clients have expressed concerned over the idea of a national body (probably London-based) telling them what to do in their local areas.

Based on our experience of working with neighbourhood plan bodies and other clients, sustainable design includes:

- Practical measures to address climate change;
- Supporting innovative green design;
- Pedestrian convenience, permeability and connectivity;
- Green and blue infrastructure and space;
- Mixed use and sustainable live work patterns;
- A high-quality public realm that supports a range of social, recreational, economic and other activities;

- Protection and gains for wildlife and biodiversity;
- Supporting heritage-led regeneration and protection.

Design codes or policies may be helpful if they address these design fundamentals.

Design codes will be harmful if they are misused to focus on subjective stylistic matters, suppress creativity and innovation, or seek to impose the personal aesthetic agendas of assertive individuals on others. Design codes should make life easier for schemes that include innovative or creative design, especially green design. Many of the neighbourhood plans we have worked on focus on enabling green design.

Good design is about process and participation, including for specific sites. This allows people with differing needs to influence design outcomes. Design codes will not remove the need for site and scheme-specific participation.

The White Paper demonstrates a fundamental misconception that involvement of some of the community in creating design guidance or codes then implies support by all of the community for what happens in terms of specific developments on specific sites.

We are very concerned over the reference in the White Paper to 'what development looks like' rather than quality of design. This patronises local communities by implying that they do not understand more fundamental design issues.

The proposed national design body would need to be practical and focused on design fundamentals such as those described. The new body should positively promote innovative and creative design, especially where it incorporates environmentally superior performance. It should not focus on subjective stylistic matters, supress creativity and innovation, or seek to impose any particular aesthetic agenda.

4. **What approach should be used to determine the housing need and requirement of a local authority?**

There should be a far greater reliance on local decision making, rather than imposition of national requirements, which are too often based on the assumptions of London-like economic conditions.

Some areas have house prices which are ten or even twenty times the level in other areas (from below £50,000 for two-bedroom accommodation to more than £1 million). Consideration of things like affordability needs to be considered against this context. It makes no sense to have the same approach for all areas.

In addition, the ability of the market to deliver needs to be considered and then to be addressed through national programmes. To achieve economic 'levelling up', there needs to be a shift of focus to addressing viability gaps and incentivising development in areas with the land and infrastructure to accommodate it, rather than stoking land inflation in areas where the land economy is overheating.

The current approach in planning policy and Government programmes is having the opposite effect, stoking land inflation in high growth areas, whilst under-performing areas stagnate. We ran side events at Regen 18 and Regen 19, which highlighted this problem.

Of fundamental importance is for the Government to understand that house building will only be viable in many areas if employment (economic opportunity) is created. The solution to the London housing crisis lies in other parts of the country and requires a much more strategic approach. This is not simply a north-south issue; we are working in parts of the south-east where there are viability challenges.

5. **What is the best approach to ensure public engagement in the planning system? What role should modern technology and data play in this?**

Many neighbourhood plans provide an exemplar for community and stakeholder engagement. The focus on early engagement has led to far greater public acceptance of planning proposals, including site allocations. In many instances, neighbourhood plans have attracted a wider range of volunteers, including business people, and this has provided a greater pool of expertise than is available for many local plans. It is not just by chance that most neighbourhood plans gain a very strong majority 'yes' vote at referendum. These lessons should be transferred to local plan level.

We support the digitisation of the planning process and making data more readily available. Currently, this varies greatly across the country, so a more consistent standard would be beneficial.

However, as with more traditional forms of engagement, much depends on the skills of those undertaking engagement.

Some people do not have access to IT and digital media. Their needs should be catered for.

6. **How can the planning system ensure adequate and reasonable protection for areas and buildings of environmental, historical, and architectural importance?**

At present, the planning system provides a good level of protection for historic areas and buildings. The system provides protection but is also flexible to allowing change. This is crucial as most heritage is in productive use. In addition to its cultural value, it has economic value. Indeed, heritage can be a very powerful economic driver. Older historic commercial and industrial areas in particular have often supported dramatic physical and economic transformations.

The Planning White Paper mentions heritage in passing, but with little focus.

There is a question over whether heritage should be in the same ministry as planning.

National policy and guidance on heritage are confused and there is scope for clarification, especially in using terminology compatible with the legislation.

Many conservation areas provide insufficient protection and suffer from incremental harm, due to the absence of Article 4 Directions. A way of simplifying the planning system would be to provide a uniform level of protection, without the need for the time, cost and complexity of Article 4 Directions.

7. **What changes, if any, are needed to the green belt?**

This is a matter for local decision making.

There is a good level of public awareness of green belts, but often misunderstanding of their purpose (they are not about visual quality).

Some of the neighbourhood planning groups that Urban Vision Enterprise has worked with have lobbied local authorities to remove sites from the green belt so that they can be allocated for development through the neighbourhood plan process.

8. **What progress has been made since the Committee's 2018 report on capturing land value and how might the proposals improve outcomes? What further steps might also be needed?**

The discussion on land capture is an example of London-centric assumptions on land economies. In many parts of the country, the land economy is marginal or there are viability gaps for development. This is not simply a north-south issue. There are parts of the south-east with viability challenges.

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