

# Cambridge University Land Society and National Planning Forum

## The Politics of Planning

Thursday 26th February 2015 1.30pm for 2.00pm  
sponsored by Development Securities plc and Dentons  
Hosted by Dentons UKMEA LLP

Chairman Brian Waters

Contributors: Julian Barwick, Emma Cariaga, Max Farrell, Paul Finch, Vincent Goodstadt, Kate Henderson, Dan Lewis, Lee Mallett, Simon Marsh, Liz Peace, Roy Pinnock, Sean Spiers, Finn Williams

**Welcome by Brian Waters** (Chairman NPF, LPDF and CULS APEC Forum)

Brian Waters on behalf of Cambridge University Land Society and National Planning Forum (CULS and NPF) welcomed the delegates and thanked Dentons as hosts to the discussion. Brian introduced the topic of The politics of Planning, recognising that this arouses strong opinions. In introducing this contentious subject Brian Waters referred to a comment by Nick Boles [at the Policy Exchange Manifesto Launch?] in which he said that “there should be a presumption against interference”.

**Paul Finch** (Editorial Director Architects’ Journal and Architectural review and Former Chairman of CABE)

Paul Finch asked the meeting to consider how planning and politics mix. He followed the Chairman’s introduction this with a comment from Ian Duncan Smith at a conference in Brussels when he was quoted as saying that he was “losing the will to live” This was not greeted by anything other than a muted reaction since his comment was translated that IDS was terminally ill.

Politics, and of course politicians, create the context in which most of you here today undertake your occupation, of trying to improve or indeed invent, places where communities can flourish.

Politicians are all in favour of this: they are forever telling us about the importance to society of place, community, localism, housing, schools, hospitals and cultural buildings.

Unfortunately, some appear to suffer from that most convenient of political conditions: amnesia.

One day the Prime minister is pledged to keeping Heathrow at its present size, with a Transport secretary upholding that policy. The next Sir Howard Davies is telling us to expand it.

Out goes the old policy, out goes Justine Greening. Airport decision delayed, which will no doubt be blamed on the planning system before too long.

The Prime Minister, until quite recently, habitually pledged to protect the Green Belt. Then one day he said it was vital to build on it -- to give young people a chance to jump onto the housing ladder.

Mr Cameron keeps making speeches in which he claims that planning is stifling growth, without offering any evidence. George Osborne makes announcements about planning in his budget statements, trying to reinforce the point. But when push comes to shove, it is not tinkering with planning that matters: it is big picture politics, hence the Devo Mancs initiative involving super-authorities and elected mayors, which sound awfully like John Prescott’s regional assembly model.

Meanwhile ministers responsible for the National Planning Policy Framework have ingeniously re-worked the concept of localism and green belt protection. Instead of communities deciding what they want on their patch, localism really means deciding where they would prefer inevitable development to go. This bit of green belt, or that bit of green belt?

All this, of course, is based on the fallacy that we have a land shortage, particularly in London. The truth is we could house all London's anticipated future population growth in the bottom half of the Lower Lea Valley, or around the Royal Docks, if we put our minds to it, and set pro-active planners to work.

The housing shortage in the South-east, being real enough, requires blame. And the politicians have accused housebuilders, the planning system, land shortage, building regulations, the Code for Sustainable Homes and anything else they can think of as being responsible for our current predicament.

What they will not acknowledge is the abandonment by the political class of the old mantra 'predict and provide'. Instead, they started predicting and not providing; then they stopped predicting, the last Labour government pretending that mass uncontrolled immigration and pitifully low housing starts were not really happening.

When reality struck, the answer was simple: kick poor people out of the capital and send them to depopulated northern cities like Hull. Council tenants are an embarrassment to both Conservatives and Labour alike. Whatever the Lib Dems say about them one can assume to be, how can one put this, malleable.

Meanwhile, as they underwrite the mortgages of those poor folk who can afford to borrow £600,000, national and indeed local politicians continue to tax housebuilders till the pips squeak. In London if you propose to build more than a handful of homes you will get hit by the Community Infrastructure Levy; then the mayor's special levy for Crossrail (how on earth did we manage to build the Underground system?); then Section 106 contributions; and then you have to make up to 40 per cent of your units 'affordable'. What does that make the other 60 per cent?

If we applied these policies to bakers, we would soon have a bread shortage. And which bits of these policies are about planning, as opposed to revenue-raising?

The question of betterment has dogged planning since 1947 because it is a political issue, not one about planning. Veering wildly from subsidy to penalty, politicians have imposed on the planning system their own fears and desires, which have little to do with professional protocols or analysis. From the Community Land Act to as-of-right planning permissions, each half-generation of politicians brings its own ignorance and prejudice to bear on planning, as though planning were the same as delivery, or that planning as an activity stops growth – it doesn't, any more than it delivers it.

The 400,000 French people living in the capital make London the sixth biggest French city. There's growth for you. Half have arrived in the last decade, and are not sleeping on the streets. No wonder we have a housing shortage. Incidentally if we built out London to Haussmann densities, we could accommodate 35 million people in la Londres.

Let me conclude by citing the most surreal comment from a tribune of the people on planning ideas in the past year. Brandon Lewis, housing and planning minister, was asked his view of the winner of the Wolfson Prize, Urbed. Their proposal concerned a way of expanding historic towns so they could double their population without wrecking the character of the existing.

Mr Lewis had no time for any of this fantastical stuff, even though the government's planning agenda is supposed to be about growth. Since the ideas were not government policy they would not be adopted. Mr Lewis had his own answer to housing shortage and urban growth: bungalows. That is what the country needs, not fancy urban apartments, and he has seen many very nice bungalows in his Yarmouth constituency.

Learning from Great Yarmouth, ladies and gentlemen, with Brandon Lewis MP the Robert Venturi de nos jours.

Politicians may think they are saddled with the planning system. In reality it is exactly the other way round.

The first group of speakers addressed “Planning and the Market”.

## 1. PLANNING AND THE MARKET

**Julian Barwick** (Director Development Securities PLC)

Julian Barwick spoke of commercial and office development policy. He considered the recent planning legacy in the run up to the forthcoming election. He thought it included a bad bout of Localism; planning by colouring in. He cited the case of Flintshire who had been obliged to say that ‘provided we don’t ask for costs we will not turn up at the inquiry.’ He asked whether developers were happy with present planning policy. Broadly yes. Now the Chief Executive comes along to meetings to see if we are serious, by which he is asking whether we will create more jobs. His test of a good town centre is whether it lifts the spirit – e.g. Hammersmith – since it lifts the standards of our own land. There was a Transport for London site adjoining with a sign saying ‘please do not urinate on the rubbish’ which needed pointing out until the rubbish was removed. Responding to the general debate offices or residential Julian Barwick considered that this was a matter of market equilibrium. So at present there are few offices being built. In two comparative appraisals both offices and residential offer the same answer in value terms.



MVMNT Greenwich



Hammersmith Grove. Occupied by UKTV Media Limited



Dead Parrot

**Sean Spiers** (Chief Executive of the Campaign to Protect Rural England).

Sean Spiers was invited to speak on land use, green belt and rural development policy, but he chose not to speak about the Green Belt, although would be willing to answer questions on it. He contrasted the approach of Nick Boles with that of the present –more willing to listen – Minister Brandon Lewis, current Minister of State for Housing and Planning. At the beginning of this government's term planning was, he said, the solution, using the instrument of muscular localism. This has not proved to be the case. Instead it is a largely developer led system. He considered that the emphasis on brownfield land should be greater (80% target) and that Strategic Land Availability Assessment was flawed.

Planning is not holding back the supply of housing, as some such as The Policy Exchange may claim but rather market forces and the tax system, as expressed by Dame Kate Barker. Sean Spiers thought that there is a growing acceptance of the need for affordable housing in rural areas but there is too great an insistence on market housing and the generally accepted policy ceilings (under ten) for affordable provision. Where sensitively planned Sean Spiers considered schemes likely to be accepted. He praised the imagination of affordable housing suppliers for their inventiveness in achieving viable schemes.

*[Note to Brian. This is not my experience where the resistance to building a highly imaginative scheme of 54 affordable housings and no market housing at a village edge was opposed with vehemence on a simple no change is welcome ticket].*

Sean Spiers considered there is no appetite for Planning Reform although there does need to be a proper land use strategy for England. In 1947 the proposed planning solutions worked for all but this is no longer the case.



**Emma Cariaga** (Residential Development Director, British Land)

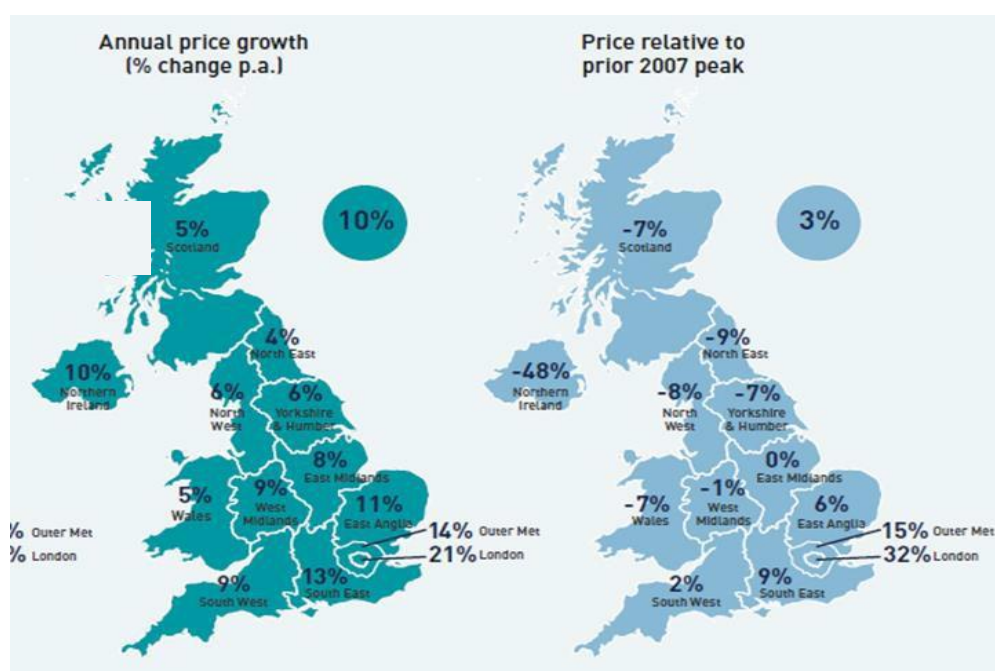
Emma Cariaga said she had given quite a lot of thought to what she wished to say. She emphasised that her talk would be more about housing than planning. (Her presentation was entitled The Problem with Housing). The present housing price growth numbers are dysfunctional – as indicated below:

## UK HOUSING MARKET OVERVIEW

<b>House Price Growth</b>	<ul style="list-style-type: none"><li>• House price recovery across the UK</li><li>• But divergence of price growth across regions / cities</li><li>• London house price growth well ahead of the rest of the UK</li></ul>
<b>Affordability</b>	<ul style="list-style-type: none"><li>• House price affordability problem, particularly in London</li><li>• Low mortgage rates favourable, but initial deposit a challenge for FTB</li><li>• Shift in owner occupation towards renting</li></ul>
<b>Housing Supply</b>	<ul style="list-style-type: none"><li>• New housing completions have decreased,</li><li>• While growth in household numbers have increased</li><li>• Shortage of housing evident in cities, particularly in London</li></ul>
<b>Government Response</b>	<ul style="list-style-type: none"><li>• UK General Elections to debate housing policy</li><li>• Party manifestos support more housebuilding</li><li>• Planning rules key to unlocking housing development</li></ul>

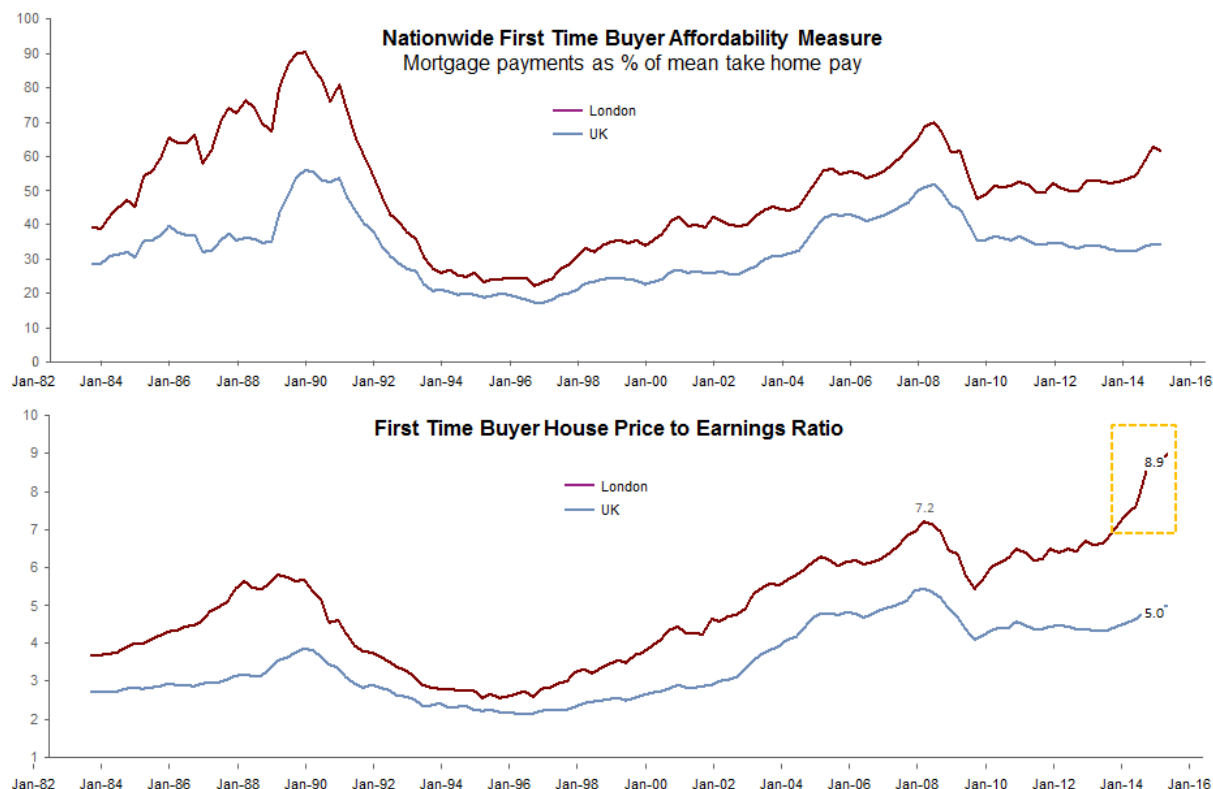
## UK REGIONAL HOUSE PRICE GROWTH COMPARISON

Source: Cushman & Wakefield. Based on Nationwide house price data as of September 2014

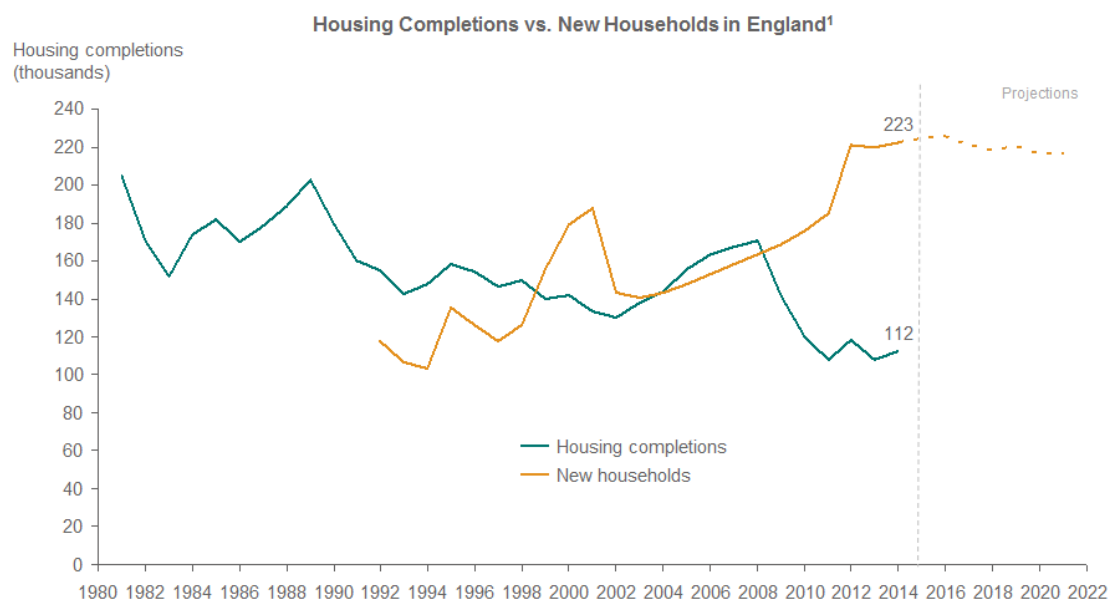


There is a vast difference in different housing markets throughout the UK. The price recovery since 2007 is far greater where supply is constrained. Mortgage payments compared with take home pay are such that in London on average the mortgage represents 60% of take home pay: see below

### HOUSE PRICE AFFORDABILITY BENCHMARKS



### NEW HOUSING SUPPLY HAS NOT KEPT UP WITH THE GROWING NUMBER OF HOUSEHOLDS



Housing Completions today at c.110,000 units vs. 220,000 New Households  
Source: Annual data. DCLG and ONS (2011-based population projections).

Data between 2001 and 2011 are extrapolated numbers.

As to 2015 election manifestos it is clear there is no consensus as to the scale of the housing need nor any clear solutions.

<p><b>Conservatives</b></p> <p>First-time buyers in England under the age of 40 would be able to buy a house at 20% below the market rate, with 100,000 starter homes to be built for them</p>	<p><b>Labour</b></p> <p>Build 200,000 houses a year by 2020, including new towns and garden cities</p> <p>Cap rent increases in the private sector and scrap letting fees to estate agents</p> <p>Greater powers for councils to reduce the number of empty homes</p>	<p><b>Liberal Democrats</b></p> <p>Build 300,000 houses a year, with up to five new garden cities in Cambridgeshire, Bedfordshire, Buckinghamshire, and Oxfordshire</p>
<p><b>UKIP</b></p> <p>Protect greenbelt land by incentivising the building of affordable homes on brownfield sites.</p> <p>Establish a UK Brownfield Agency to hand out grants, tax breaks, and low interest loans.</p> <p>Major planning decisions to be ratified by local referendum.</p>	<p><b>Greens</b></p> <p>Abolish right to buy. Give councils the power to borrow money to build houses.</p> <p>Introduce a rent cap. Set up a living rent commission, to work out how to bring rents back in line with incomes.</p> <p>Build 500,000 social rented homes by 2020, paid for by scrapping the buy-to-let mortgage interest tax allowance.</p>	

In conclusion

- Case for increase in supply of housing is clear
- Short-term uncertainty creates risk for the market
- Plea for cross party consensus to create a stable housing market

Uncertainty around election time and paralysis in supply could mean a further dip for the worse after a period of uncertainty.

*[This view is echoed by LSE London and British Government who are saying “Housing presents a range of challenges for whichever party wins the next election. Everyone agrees there is a shortage of homes (to rent or to buy) as well as an affordability crisis in many parts of the country, and yet housing completions are at historically low levels. Experts have listed a number of reasons for the lack of new investment including the planning process, the lack of available land, a shortage of finance, restrictions on building on the Green Belt, the influence of overseas buyers, and indeed cutbacks in government grant. Additionally, increasing regulation is making it harder for households who would traditionally have been able to become owner-occupiers to do so. Increasing numbers of families—especially in London—are paying high rents for poor quality and insecure accommodation. Consequently, policies to increase investment and standards in the private rented sector are under discussion, as are ways to improve access to mortgage funding and low cost homeownership. But housing is also a macro-economic issue – housing costs affect competitiveness; over-emphasis on housing investment might limit more productive sectors; and mortgage debt is seen as a source of macro instability...”]*

Liz Peace (recently Chief Executive of the British Property Federation and past chairman of NPF) led the ensuing discussion as moderator of the speakers as a panel. Roy Pinnock of Denton’s joined the panel. Liz Peace began by drawing attention to the apparent contradiction between Julian Barwick’s and Sean Spears’ contentment with the planning system but not housing delivery. Sean



Spears said that he was not opposed to development but that too much weight was being given to brownfield first. It is more important to build sustainably. In spite of the long fight over NPPF one aspect that is not working is the duty to co-operate between local authorities. Instead more emphasis should be given to trusting local people.

Emma Cariaga commented that with the wide discrepancy between supply and demand for housing local authorities have had many policy changes inflicted on them and are only just getting to grips with the changes, notably on Localism. We are expecting our housing problems to be solved by planning. It will not be.

Roy Pinnock drew attention to both macro and micro scale planning and yet at national election times we concentrate on micro issues. The absence of a regional tier of government, decisions on delivery – where the jobs, the housing and infrastructure should go. There is no incentive to allocate land. If he were Secretary of State he would not change the system apart from the Finance Act 2008 and replace the present methods of allocating land with a zoning system.

From the floor John Walker (Director of Planning at Westminster) made a plea for more resources to implement what he described as the best system in the world.

Emma Cariaga said she had sympathy for Councillors in Council who were subjected to elections of a third of their number annually such that no-one ever can take the long term view.

Mike Hayes (Secretary of NPF) cited the case of Dorothy Thornhill, elected mayor of Watford who had a vision of the town which she sought to realise. He wanted to see greater idealism in planning.

Rosemarie MacQueen former Director of Westminster and now representing the London Forum said that never mind the 300,000 homes proposed by the Liberal Democrats homes for a million people were needed. Much of the existing stock would be needed to solve the housing shortage. She referred to the LSE's Social State Project and "beds in sheds". She asked whether, if development is to be concentrated near stations it should be for housing or jobs. Politicians will need to make difficult decisions.

Tom Ball did not believe the true need for new homes is recognised as was the case in the 1960's when the aim was 4-500,000/year. It was met in considerable part by the National Building Agency. Supply should be spread out over a wider area of the country rather than being concentrated in London.

Fred Pilbrow (*not listed as attending*) thought that planning is highly efficient and effective. It was not well done in the 60's and we have since learned some lessons. Development imposes local costs such as CIL and section 106 costs.

Duncan Bowie (University of Westminster) drew attention to the gap between planning objectives and implementation. The housing capacity study of the GLA assumes higher densities than are being realised and we are not providing the housing numbers or for the affordable housing need.

Private investment needs to be managed. Central government should make use of cpo powers at existing use value to improve housing affordability. Mechanisms are needed to increase in social resnting and a property tax is needed.

Sean Spiers was against building in the Green Belt. He thought that building in the Green Belt around Oxford would be wrong and preferred the URBED ideas of building urban extensions. He concurred with Duncan Bowie saying that at Milton Keynes the cost of the land was originally 1% of the built form, it is now worth 40%.

Emma Cariaga said that as a society we all have a responsibility not to let the current housing crisis continue. The market cannot do it on its own and cross party consensus on the issue is key to sorting the problem.

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Emma Cariaga said that as a society we cannot let the current housing crisis continue. The market cannot do it on its own. Housing is the main issue and it is noteworthy that manifestos refer to housing only rather than wider planning issues.

The Chairman thanked the speakers before a short break.

## 2. MY MOST WANTED MANIFESTO COMMITMENT

Lee Mallet chaired the second session, as well as speaking on the topic.

Lee first introduced Finn Williams, founder of the thinktank NOVUS, who was speaking in an independent capacity about the importance of public sector planning.

“I want to talk about something deeply unpopular with the outgoing government: Bureaucracy. In other words the importance of public planners in delivering truly sustainable development.

I trained as an architect, but back in 2008 I chose to work for the public sector. I still remember, at my induction session at Croydon Council, the person next to me asked where I’d been working before. I said I’d been working for an architect Rotterdam, and I could tell they were thinking “well, you can’t be a very good architect if you’ve ended up at Croydon.” Then they asked where I’d commuted in

from, and I said Hackney. They looked at me with pity, as if to say “poor you, you couldn’t even get a job at Hackney Council.”

That stuck with me. Why should public service be seen as a last resort? We put plaques up for architects and build monuments for our politicians, but very rarely our public servants. This is one exception: the monument to the unknown bureaucrat by Magnús Tómasson. And of course, it’s in a Nordic country; Iceland. I’m interested in how public service in the UK has gone from being a source of pride to a punchline. And what effect that’s having on our built environment.



The unknown bureaucrat by Magnús Tómasson

Nearly all of my colleagues at Croydon had chosen to work for the public sector for all the right reasons. We were lucky enough to have the conditions under the leadership of Jon Rouse, Emma Peters and Mike Kiely to build an extraordinarily talented team there. But too often that civic energy, ambition, and creativity has nowhere to go. It’s suffocated by hierarchies, ground down by processes, discouraged by risk aversion.

Of course the current government’s planner bashing hasn’t helped. Branding planners ‘enemies of enterprise’ is the surest way of deterring anyone enterprising from working in a planning department. If the next government turns that on its head and tells us planning can be visionary and proactive, we might just get a planning system that delivers growth.

Over the last five years the National debate about planning reform has tended to be dominated by those with private interests. Or worse still, thinktanks who have no understanding of what actually happens on the ground. So when the Planning Officers Society invited me to help start a group for the next generation of public sector planners, I was interested in turning that dynamic on its head.

NOVUS is a thinktank run exclusively by public sector planners – you have to have .gov.uk at the end of your email to join us. We now have over 110 members from across England, who meet regularly not to talk shop, but to collaboratively draft papers on what we call the elephants in the room of the planning establishment. Issues like Council housing and Local democracy, which we will be issuing papers on in the next couple of months. Our first paper is our manifesto, which I want to read to you now.

#### PLANNERS AND PROUD

We have chosen to work for the public to make a real difference. This is our chorus calling for a bolder future for public planning.

#### WE WORK FOR YOU

We believe in making the fairest decisions for all, not the most profitable decisions for a few.

#### EXCLUSIVELY PUBLIC

We want the public sector to attract the best talent. We want working for the public sector to be seen as a privilege. That's why only public servants can join NOVUS.

#### GROUNDING IDEAS

We have our ears to the ground. Our thinking is based on experience of the way things really are - not a theoretical ideal of the way things ought to be.

#### NO WAFFLE, NO JARGON

We write for the public not the profession, and we say what we need to say, no more. Each document we produce will be a paper - literally one A4 piece of paper.

#### A VISIBLE DIFFERENCE

Our greatest achievements are as much about what doesn't happen as what does. We will make our successes seen.

#### BUREAUCRACY CAN BE BEAUTIFUL

Bureaucracy done badly is a barrier. But done well it is the foundation of fairness. We want to reclaim bureaucracy as a positive force for equality.

#### PLANNING IS A CREATIVE INDUSTRY

Denying that planning can be creative will deny us of creative planners. We believe that planning is about more than saying yes or no.

## PEOPLE MAKE CITIES

Public planning only works when the public plan. We believe in giving citizens the knowledge and tools to shape their environment.

## BIGGER HERE, LONGER NOW

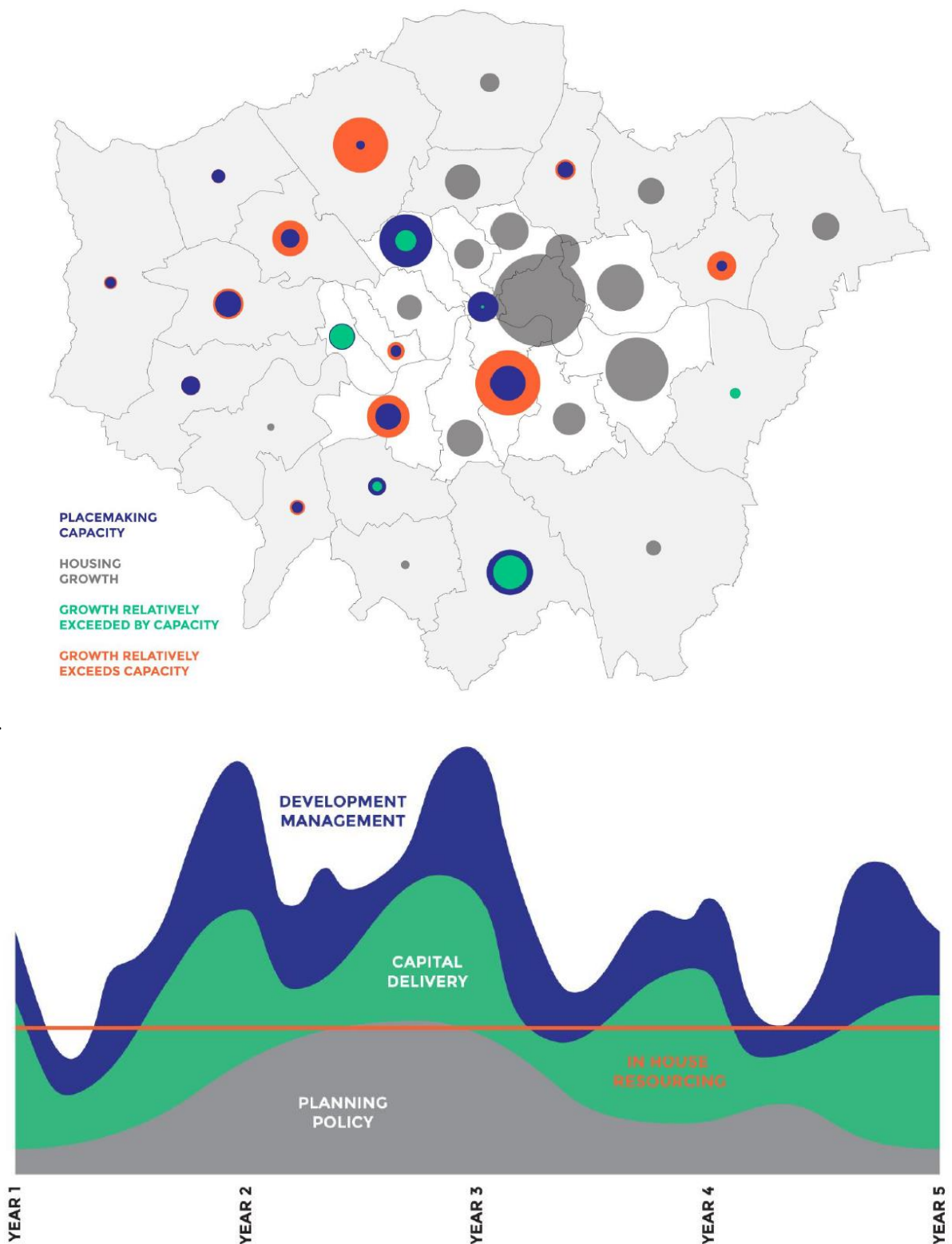
Sustainable decisions aren't made right here, right now. Our idea of here needs to be bigger than the red line on a plan. Our sense of now needs to be longer than the next quarterly report. The public sector is a rare breed of institution that can think and act sustainably.

If NOVUS is a collective of the best young planners working in (and against) the system, then Public Service, an initiative I'm developing on the back of the Farrell Review, is about attracting a new generation of talented planners into the public sector.

It might sound hypocritical, but I left Croydon to join the GLA in 2013 because I wanted to help build the capacity of local authorities. One of the first pieces of research I helped carry out was a survey of London's placeshaping capacity. I won't go into the details, but the results showed how unevenly resources are distributed in relation to growth . Both geographically, and over time.

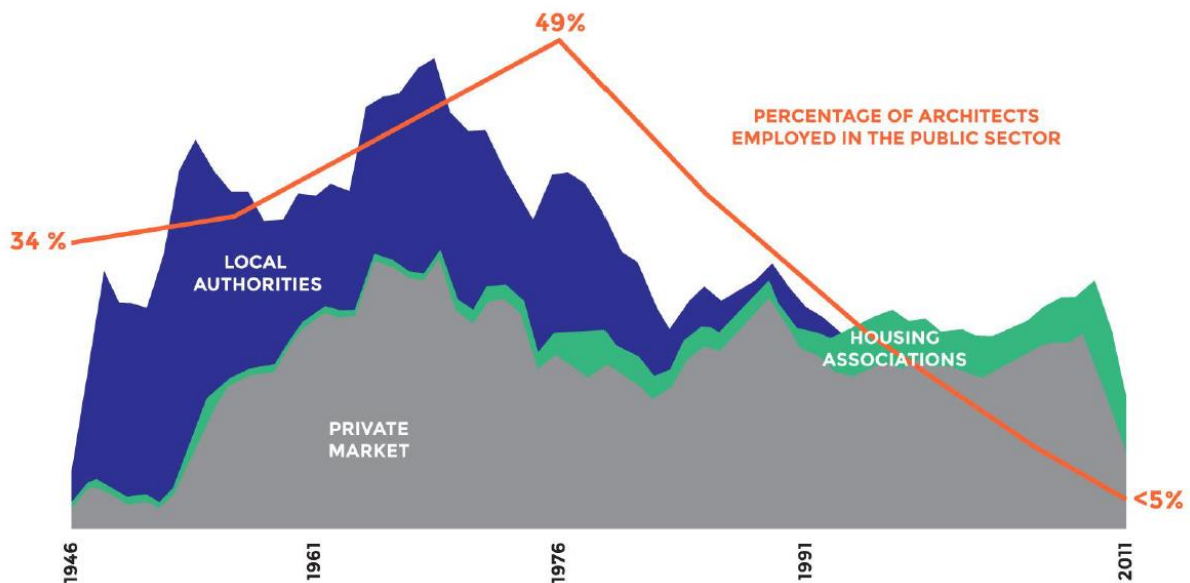
Take a planning department's workload over a typical electoral cycle. There are peaks in policy workload for production of a local plan. There are peaks in capital delivery workload at financial year end. And there are peaks in development management workload in relation to the market. In a climate of increasing austerity we resource for the troughs, meaning we increasingly rely on commissioning the private sector or agencies for the peaks, at greater long-term expense and ultimately a loss of local knowledge.





Public Service subverts the very successful model of a private agency for public good. It would be a new social enterprise to embed talented young placemaking professionals within public authorities and develop the public sector's capacity for proactive planning. The initiative would be to the built environment what Teach First is to education, and Frontline is to social services - an opportunity to work for the public good on your own terms. It would build a national pool of skills and expertise to

support the more efficient sharing of skills and knowledge; and create a new generation of public servants who are the opposite of enemies of enterprise.



Perhaps most importantly given the current political agenda, Public Service would grow the public sector's capacity to deliver homes. This is a familiar diagram showing post-war housing delivery by sector. Overlaying the percentage of architects working in the public sector shows how delivery relates to capacity – albeit one particular measure of capacity. This diagram makes it fairly obvious that to meet current housing need the question is not if the public sector intervenes, but how.

NOVUS believes that Councils need to start building housing again. Mixed tenures, not all social housing. Fine grained small plots, not large estates. But the public sector needs to relearn how to deliver. It's a bit like exercising muscles you haven't used for a long time – it's painful at first.

Public Service would be a flexible and affordable way of quickly rebuilding that capacity. In turn, the opportunity to deliver is the best possible way of attracting the most talented people into the public sector. The ultimate aim would be to mirror that diagram of housing delivery – this is my most wanted manifesto commitment.

**Kate Henderson** (Chief Executive Town and Country Planning Association).

Kate Henderson's topic was "The reinvention of social town planning" under the title Planning is Good for Britain".

Founded on utopian ideals and redistributing resources planning has delivered millions of schemes of development – not vast areas of sprawling ribbon development but a diverse mix of uses. Regrettably the system is under threat of deregulation producing a demoralised system that is not working. There is no National or Regional governmental Tier. National planning policy has lost any sense of local planning. It cannot be right that sea level rises have been calculated on the East Coast by each of 30 separate local authorities rather than a single agreed measure. Legal challenges to local plans are at higher levels than ever and the impact of greater permitted development rights is facilitating uncontrolled development. Changes from offices to housing are happening without anything on space standards. There has just been a 69% increase in annual profits to volume housebuilder Bovis Homes [and sales rise by almost a thousand to 3,635 during the year]. There needs to be a return to principled planning – a return to UK Sustainable Strategy as in 1995. Garden City policy needs to be

reassessed. It should be at a comprehensive National level, rather than as local increments. The New Towns Act got on with the job. The principles of self financing and land value uplift for the benefit of the community were essential to New Town success.

Combined authority initiatives are being promoted in local government following Conservative and Labour stated intentions to devolve responsibility and resources to local government in the next parliament, with combined authorities expected to be the main beneficiaries. So far Manchester is the only one that is operational. Current National Infrastructure planning does not determine what should go where, which in the interests of building consensus and for the good of Britain it should.

**Vincent Goodstadt.** Past President of the Royal Town Planning Institute and Vice President TCPA.

Vincent Goodstadt's presentation complements that of Kate Henderson. Planning is a political football. From the 2010 manifesto the Conservatives have delivered on it – on the system itself, the process and housing policy. There has been no fundamental change to the system but there is a need to reconcile national and local objectives. Tinkering and tweaking of the process under the banner of simplification has in fact made extra bureaucratic burdens. Housing policy has not been achieved with a widening gap between aspiration and achievement. Vincent Goodstadt advocated a change in procedures. He referred to a 10 point plan from the RTPI. It needs to be recognised as a societal issue that there is a direct correlation between increase and unaffordability. Unresolved and the housing crisis will only get worse. He advocated that within 1 year the incoming administration should determine the how, where and what to solve the present housing problems within a generation. There needs to be greater co-ordination between departments, including transport delivery. At present this appears akin to herding cats. To solve this, like cats around the milk there need to be incentives to make this happen. Funds are needed to link to a spatial strategy which can be achieved under existing legislation.

**Lee Mallett.** (Editor City Planning, Westminster Planning, Joint Editor Planning in London).

Lee Mallett's topic was "Restoring the Vision Thing - Research by Design". He invited local authorities with the resources to think more creatively about where their areas of growth should be.

He contrasted the growth in population and density between 2001 and 2011 in Islington and Waltham Forest. From this he concluded that there is no need to build in the Green Belt since there is plenty of capacity within London itself.

<b>Islington</b> 14.86sq km		<b>Waltham Forest</b> 38.78sq km	
Population		Population	
2001	2011	2001	2011
179,400	206,100	158,998	258,200
Density pph		Density pph	
120	139	41	67
Increase 2001-2011		Increase 2001-2011	
14%		60%	

*[Lee. It is easier to increase densities in WF in outer London where for good historical reasons it starts just 1/3<sup>rd</sup> of the Islington density by using – green- garden space than the higher cost of – brown- land building in Inner London Islington. This sounds like a defence of complex architecture against more repetitive volume housebuilding].*

To support his thesis Lee considered growth associated with Argall Avenue Business Area (Leyton, Waltham Forest) and the Olympic Park in Hackney Wick – asking where is it going next? He noted that the Argall Avenue disparity between industrial and residential values is considerable. (industrial £1,500/m<sup>2</sup> and £5,000/m<sup>2</sup> residential from which a new scheme could emerge with a more flexible attitude to mixed uses as has been built into the London Legacy mixed use brief associated with the Olympic Park in Hackney. In Argall Avenue the segregation of uses can be overcome and is the opportunity to create new frontages, and capture value by being less prescriptive and working with local landowners. He considered that flood plain issues were not a problem.







Lea Valley View: terraced work-live homes overlook the Lea Valley. Larger blocks density business areas and create new frontages with yards behind



Lee Mallett drew the inferences from this that we should

- Bring back Planning
- Stop thinking development control is 'planning'



- Use design to find ideas
- Work In partnership
- Spend Money on Planning

**Dan Lewis.** (Chief Executive of the Economic Policy Centre and Policy Adviser to the Institute of Directors). “The incoming government should establish an independent “Infrastructure Value Index”.”

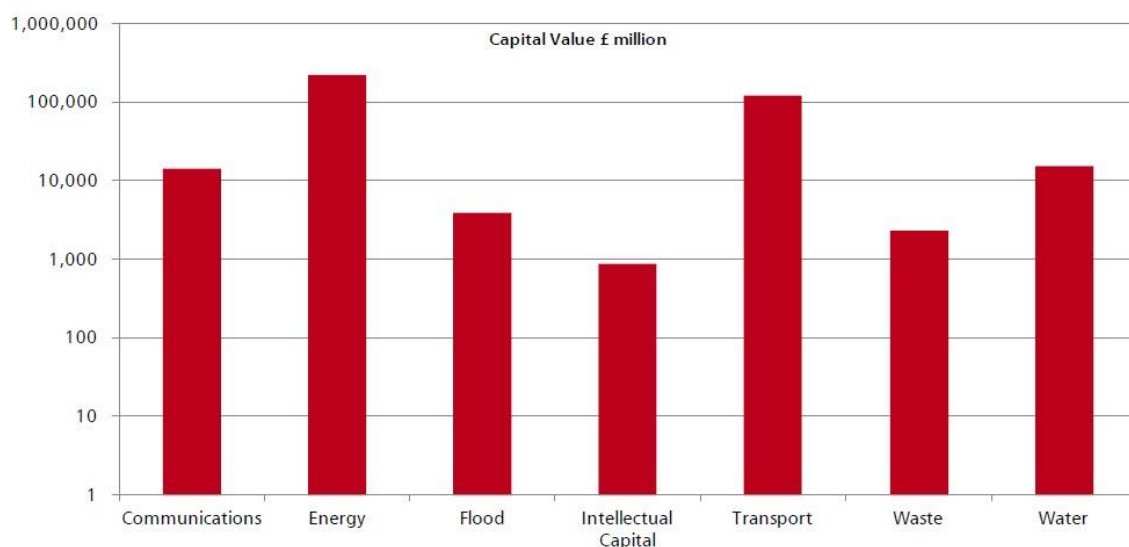
Dan Lewis addressed the audience in a personal capacity.

#### ● Matching Infrastructure to Austerity: *The case for a value index*

#### Defining & Scoping Infrastructure

- **Defining:** 1) Social (Hospitals, Schools) & 2) UK National Infrastructure Plan: Roads, railways, Ports, Energy, Telecoms, Flood Defences, Waste, Intellectual Capital & Water (also local amenities & Airports)
- **Spending?** £45 bn in 2013 or £375 bn by 2020 (Questionable)
- **Focus?** £340 bn on Energy (215) & Transport (Value for Money?)
- **Private Sector Delivery?** 85%
- **Who owns it?** 60% Private Sector (Armitt Review)
- Infrastructure spend – N.B. logarithmic scale:

**Chart 2.A: Pipeline value by sector**



Source: HM Treasury Major Infrastructure Tracking Unit

#### UK Infrastructure “Challenges”

- **A poor world ranking:** 28/144 versus 8/144 for economic competitiveness (WEF)
- **Fast growing population:** 70m by 2030
- **Govt. stimuli** – time lag 6-24 months, tendering, procurement, planning, EIAs
- **Tracking opportunity costs** – hard to measure silent & invisible victims
- **Being realistic about the multiplier effect** - buying, hiring, producing and unsustainable lumpy distribution of capital expenditure

## Infrastructure Policy Environment

- ***Usually a wish list of construction, engineering and Blue Chip Consultancy Industries***  
Mantra of spending is always good and adds value
- ***But how do we know that?***

## Economic Policy Environment

- ***Austerity will be prolonged***
- ***Fiscal surplus not until 2019***
- Recovery to 2007 national debt levels in 2030
- **Assumes no recession or negative black swans**
- **No time to bury head in the sand**

## Infrastructure Policy – A new opportunity

- ***We should always think about . . . (but don't)***
- Capex smooth or lumpy?
- Create additional consumer choice?
- Crowd out existing infrastructure?
- Promote capital deepening?
- An additional asset?
- What are the on-costs?

## Infrastructure Value Index – 8 Key Metrics

- **Stage 1: Capital**  
How much, what price & how much on physical objects?
- **Stage 2: Labour**  
How much is being spent on labour of total project cost and where's it coming from?
- **Stage 3: Uncertainty & Complexity**  
Is it First of a Kind? how many subsystems, risks of execution?

## Infrastructure Value Index – 8 Key Metrics

- **Stage 4: Supply Chain Gains**  
Potential technical, skills and growth in UK suppliers?
- **Stage 5: Soft landing handover**  
i.e. not turnkey – extended and thorough handover with training, docs etc.?

## Infrastructure Value Index – 8 Key Metrics

- **Stage 6: Whole life costs**  
Typically 6 times capital costs of project
- **Stage 7: Networked value extension**  
What are the claimed benefits outside of the project?
- **Stage 8: Endogenous Revenue Potential**  
When will HS2 Breakeven / achieve operating profit?

## Conclusion

- National Infrastructure Commission
- Could be held to account with Public Index
- And less easily seduced by biggest, fastest type projects
- Because with resources so tight trade-offs need to be made

Lee Mallett invited brief comments on this presentation. Mike Walker (Westminster) commented that we are now victims of our own success. Vincent Goodstatdt said that we have to deliver committed infrastructure, notably Crossrail which raises the question of a Londoncentric investment focus when the problem should have been helped to be solved elsewhere.

Following a short break there was a panel review involving Simon Marsh Head of Planning Policy at the RSPB, Dan Lewis, Max Farrell of Farrells and Roy Pinnock, planning partner at Dentons. The panel was invited to give their points of view on what their manifestos would contain. Max Farrell considering the theme of pro active planning – at macro and micro levels - thought there was a

cultural problem and that the starting point is quite different in shape, form, and density that can be found for example in Paris. He saw the future as led more by the public than politicians, using neighbourhood forums for example, so that the process of brokering engagement can result in big things from small ones. Opportunities for creative planning are greater in Dartford than Ebbsfleet and one should start from the former.

Simon Marsh said that he had worked on the NPPF. He had heard nothing on nature from any of the speakers apart from references to dead parrots and ostriches putting their heads in sand. He was concerned that 60% of species are in decline and considered that the most important topic is Climate Change. He wanted to see how the public would engage in this. He advocated the view of the Green Alliance on Infrastructure Planning that there needs to be

1. A national strategic plan, supported by a new civil society advisory council
2. Spatial planning carried out at city and county level, informed by local public dialogues about infrastructure.
3. A new body to be an impartial facilitator of public engagement.

He also advocated the proposals by Sir John Randall for a new Nature and Wellbeing Act ...to be the first generation to leave the natural environment of England in a better state than it inherited.

Vincent Goodstadt from the floor said the key priority of a new government is housing. The starting commitment is to 200,000 per year. However he criticised the Sir Micheael Lyons Housing review for not going far enough

Roy Pinnock said that the original social aims of planning had been overshadowed by legislation. He commended the work of TCPA's Hugh Ellis at the Oxford Conference. Neighborhood plans now have more teeth but legislation is not the issue here. The real problem is to overcome often disgusting design. Visions should come out of public engagement leading to greater trust between the participants in development.

Max Farrell emphasised the importance of participation rather than consultation – engagement when there is no design to start with rather than after a plan has been prepared. In this way people become part of the process.

Robin Rogers (Partner RTSC Peel) spoke from the floor in support of Roy Pinnock saying that if there is already a good design it is easier to get support for more. He has had the experience of preparing a scheme which became a race to be committed in advance of a neighbourhood plan. Neighbourhood plans depend on the quality of the volunteers and the quality of the principal data available (demographics etc).

Graeme Bell (Board Member Planning for Real) Former Lancashire County Planning Officer said that his manifesto would fill the vacuum at the top with a spatial national structure plan while also encouraging bottom up planning. Getting communities to come together to discuss what to do: Schools, hospitals, trains, police etc. A new and difficult issue is how to combine social care and the NHS.

Paul Finch was asked to sum up the meeting.

He began by considering whether we should depend on or be free of Planning. He was reminded of the occasion when Eisenhower sent Vice President Nixon to Ghana. Nixon asked someone how it was

to be free at last. The respondent replied – I don't know. I'm from Alabama. With Mel Webber he asked who profits, who decides, who pays. Following the money offers quite a big clue. The problem is so many different groups. It is most unlikely that they will unify. Planning is being asked to solve both macro and micro scale problems. It is unsurprisingly very difficult and akin to the grain of sand in the Princess's pillow. We are entering a new era of "Devo Mancs" and now "Devo Lancs".

Great places and the environment are generally achieved by large bodies, not by democracy. What the planning system does is to stop rubbish being built, but then what...? If Ebbsfleet was the answer, what is the question?

DR/dbm 23.3.15