

## A collection of essays on reforming the planning system for the 21st century' from Policy Exchange

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**Planning analysis: The Think Tank Policy Exchange has published a collection of essays, written by economists, architects, urban designers, campaigners, developers, lawyers and researchers, setting out how the planning system can be reformed to address the challenges of modern society. Jamie McKie, senior associate at Dentons, discusses the various proposals found in the collection of essays.**

### **What are the key areas of the planning system which need to be reformed according to the collection of essays?**

The essays highlight a variety of perceived issues with the current system and offer some radical, often provocative, responses. These range from calls for a full reboot of the fundamental principles of our planning system, through to individual fixes for specific elements to enable them to function more effectively. The authors hail from a wide range of professional backgrounds and their expectations from the planning system are coloured by their experiences. Some question the entire regulatory framework and its ability to respond effectively to future changes and needs. Others consider specific component parts and desired outcomes such as effective land value capture, greater housing delivery, and improving Environmental Impact Assessments.

While the thoughts expressed deal with different elements of the planning system, they are all connected by a common theme: bold, root and branch, reform of the planning system is needed. Further tinkering around the edges will simply not deliver the step change in approach that the authors believe is needed. The general consensus is that planning is currently obstructive, slow, costly, and leads to uncertain outcomes.

### **What do the authors argue needs to be improved in these areas?**

The main criticism, expressed consistently through several of the essays, is that the planning system is stuck in the past. It is labelled as 'dysfunctional' and fails to deliver, both in terms of process and outcomes. A key issue is the appropriate level of regulation.

Arguably the most radical solution comes from Bridget Rosewell who doubts the state's ability to plan effectively for housing and economic needs. Bridget Rosewell cites the difficulties caused by static and rigid local plans which are unresponsive to change and ill-suited to accurate economic forecasting. In her view, we must 'abolish the Plan as a shibboleth, a straitjacket and an industry...'.

However, in a futuristic and entertaining piece, David Rudlin has gazed into his crystal ball and sees a three-tier system of planning regulation—a National Spatial Plan sits at the top, beneath it a City Region/County Spatial strategy, and the bottom a district-level zonal coding plan. Alternatively, we need less prescriptive regulation with John Myers seeing community-led design codes as the way to deliver more new homes, while Warwick Lightfoot favours a 'liberal and permissive set of rules' to determine changes in land use.

Another key theme is that outcomes often do not match requirements or needs. Many of the current problems are not new. For years the government has grappled with how to effectively capture uplifts in

land value resulting from the grant of planning permission. Charles Dugdale cautions against adopting proposed measures of land value capture and says that efficiency improvements can be made.

Similarly, a lack of affordable homes being secured through the planning system has been a major issue for some time. Jamie Ratcliffe and Ruben Young propose major reform by introducing a flat tax system to fix affordable housing provision. Developers would pay a flat rate of tax based on a prediction of the gross development value they submit with their planning application. This money would be used by the council to buy homes in the development for use as affordable housing, with the price paid determined by the value predicted by the housebuilder. This, they argue, will remove the current system of negotiations in respect of obligations under [section 106](#) of the Town and Country Planning Act 1990 and uncertainty, increase the overall supply of all homes (not just affordable), reduce the barriers of entry to development, and help to gain greater community consent for increased housebuilding.

### **How likely is it that the government will implement the proposals, and within what timescales?**

While the essays hint at potential reforms, their main ambition should be to stimulate debate and encourage reflection, rather than offering up substantive proposals for instant implementation. That said, we may be approaching a crossroads in relation to the future of planning—what role do we expect it to take in a post-coronavirus (COVID-19) world? The timing of their publication is also no coincidence with Planning White Paper expected imminently, and plenty of talk from government about substantial planning reform. Indeed, they carry the weight of an endorsement from the current Housing Secretary who commends ‘Policy Exchange’s contribution in ensuring that we act ambitiously when it comes to reforming our planning system and making it fit for our future generations’.

Nevertheless, those with even short memories will recall that talk of planning reform is not new. The last major attempt was the [Housing and Planning Act 2016](#) which introduced some controversial changes to the system, although many still await secondary legislation to bring them to life. Now, with a stronger government majority, might we expect more radical proposals to survive the passage through Parliament unscathed in a way that was not previously possible?

### **What will be the likely implications of such wide-ranging reforms?**

Wide-ranging and fundamental reforms such as these require adequate (and meaningful) consultation. Without it, there is a real risk of unintended consequences and damage being done. The ideas in these essays need to be properly tested and evaluated by other experts in the field. Would they really reduce planning risk by introducing more certainty? How would they ensure that quality is not sacrificed for speed? Change for change’s sake, without an understanding of implications, would be incredibly dangerous. Similarly, introducing too much radical change all at once, would bring considerable uncertainty to the market, risk stalling development and preventing the release of land.

In my view, the current planning system deserves some allies. Having been built incrementally over time and, it is undeniably complex and would benefit from greater simplicity. However, it is capable of delivering quality development which is genuinely transformative. It is also responding to the government’s challenge to deliver more planning permissions. That is despite the chronic lack of resources that continues to afflict the public sector. While improvements can undoubtedly be made, the reality is that regulating land use, at whatever level, will always be complex and controversial. It may also take time to reach the right outcome. That is especially the case where decisions are rooted in democratic legitimacy, and based on meaningful engagement with affected stakeholders.

*Interviewed by Elodie Fortin*

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