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## The Default Response to a Planning Application is “No”

Government wants to change the planning system “so that the default answer to development is ‘yes’” ([Plan for Growth](#), HM Treasury, March 2011).

Government statistics show that for at least a decade over 80% of planning applications have been granted – higher (around 90%) for the major commercial applications critical for economic growth.

Countless changes of use and small developments take place without the need to apply for planning permission.

Communities need the power to say ‘no’ to prevent harmful development, ensure that their plans are delivered, and drive up built environment quality.

Businesses want councils to say ‘no’ to inappropriate development that would harm their investments.

## Planning is Slow

The current debate on planning has talked of “[the town hall officials who take for ever with those planning decisions](#)” and “[a slow and prescriptive planning regime](#)”. Planning Minister [Greg Clark](#) has committed to “speeding up applications that get stuck in the system.”

Councils as a whole meet or exceed the 8 or 13 week targets set for them by the government, despite reductions in resources.

Since 2009, the Planning Inspectorate has slashed the average time taken to determine householder appeals from 19 to 8 weeks.

Only 0.7% of planning applications take longer than 12 months to reach a decision.

What appear to be delays in planning are not always down to the planning authority or even the planning system. The development industry often conflates planning with other consent regimes, such as licensing or environmental permits.

The overall development process in England is among the quickest in western Europe. However, it is recognised that the part of this related to processing planning applications is relatively slow: this is because of the nature of the UK property law – faster European and American “zoning” systems are less flexible and remove community influence from the process.

## Planning is Costly

Government [statistics](#) suggest that planning costs £2bn a year, more than 5 years ago despite a reduction in applications. While most in the industry agree with the principle of planning

**application fees, many believe the overall cost of making an application is too high, especially with current information requirements and the need to pay for infrastructure.**

Planning now costs less to council tax payers and employs fewer people.

Application fees are tiny in comparison to the potential profits of development, but do not cover all costs of determination, let alone planning policy, enforcement or regeneration.

It is reasonable to review material required in support of a planning application, but where developments are not in accordance with policy it is essential for applicants to prove their case.

Planning creates wealth by promoting regeneration, securing funding for infrastructure and mitigating the negative effects of development.

Planning obligations (“section 106 agreements”) ensure that development mitigates harm arising from the development and supports the delivery of infrastructure necessary to enable the development to take place. Without these actions the application would need to be refused; therefore, unless alternative funding is available, or the developer undertakes the mitigation or provides the infrastructure themselves, the payment is in the developer’s interests. Government is right to crack down on unnecessary requirements.

## **Planning is a Drag on Economic Growth**

**The Secretary of State for Communities and Local Government has described the planning system as a [“drag anchor” on growth](#), while the Secretary of State for Business Innovation and Skills has talked of the distortions on the market of a [“slow and prescriptive planning regime.”](#)**

The certainty provided by the planning system is essential in supporting business investment decisions. Such certainties include, in particular, the knowledge that there will be customers and a workforce, that infrastructure will be provided, and that other developments would not be allowed that would prejudice a business’s investment. Unconstrained growth is not in the interests of business.

As the CBI say: “Planning is core to achieving a wide range of objectives for business and society, and for achieving sustainable development.”

In 2003, the then ODPM Select Committee [Inquiry into Planning and Competitiveness](#), said “Claims that planning damages the nation’s competitiveness seem to have been made without evidence. The evidence that we have received suggests that businesses generally support the planning system and seek a number of changes in implementation, which do not necessarily require legislation.”

Planning processes are essential for enabling regeneration to take place: the current planning system, properly resourced and with committed local leadership, delivered the 2012 Olympic Park in East London.

## Planning Forces House Prices Up

**According to the Director of think-tank The Policy Exchange, in a Telegraph blog, “Land in Britain is made scarce and expensive by some of the world’s tightest planning laws... It also pushes up your rent or mortgage, and jacks up the bill for housing benefit.”**

House price inflation is not solely the result of a lack of housebuilding: the Barker Review found that the effect was marginal taking into account the other determinants of supply and price, i.e. the availability of finance and demand.

The unsustainable rise in house prices that ended with the credit crunch in 2006 was felt as badly in countries without constrained land supply such as the USA: these rises were the result of irresponsible lending. House prices in England are not only affected by demand arising from those first entering the market, but also those wishing to purchase second homes, buy-to-lets and redevelopment opportunities.

Planning is not responsible for the lack of housebuilding.

The private sector has only ever been able to contribute around 150-200,000 new homes a year across Great Britain. Until the government ended mass council housing in the 1980s, the public sector helped to almost double this. If public sector housing had continued there might be at least 2 million more homes now.

The current slump in housebuilding is the result of a lack of finance, both for homebuyers and housebuilders, prevalent since the “credit crunch”. The slow-down in planning permissions is the result of a lack of planning applications.

There is not a lack of homes, premises to convert or sites to build on. In England, there are around 750,000 empty homes, nearly half of which have been empty for over 6 months, and developers have permission for around 300,000 homes they are not building.

Providing more land for housing through planning will not necessarily reduce house prices. Studies have shown that increasing housing allocations by 75% might raise output by 16%. This could lower prices overall by 7.5%, so enabling an extra 3-4% of new households to buy a new home, but in many cases it will merely enable more existing homeowners to afford an investment property, such as a second home, holiday home or buy-to-let.

## Other Myths

These are not the only myths about planning and development that are perpetuated by people who have a point to make, but are either not supported by evidence, or are not the problems they are purported to be. Here are a few more thoughts.

- Does planning ignore communities? Do people have too little say over what happens in their area? Which does planning really favour – NIMBYs or developers?
- Does planning allow the countryside to be concreted over? How much countryside has been lost in the past decade – 10%? 1%? Less than 0.5%? Are we developing more or less countryside now than in previous decades?

- Is planning failing to help reduce carbon emissions and adapt our lives to climate change? Which processes and systems could help more?
- Does planning let development happen without the services and facilities needed to support growth? If there was no planning, would things be better or worse? Should development take place without infrastructure, and if so, how would infrastructure be provided?
- Are planning decisions made by bureaucrats in the town hall or Whitehall without any reference to need, community aspirations, politicians or a sense of professionalism? In whose interests are decisions made: the bureaucrat's, the developer's, the environment's or the greater public good?

## Contact the RTPI

If you require more detailed information or want to work with the RTPI on the Planning Myths campaign, please contact the RTPI.

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