



# Delivering the value of planning

This report demonstrates how good planning can deliver sustainable economic growth and housing. It also suggests why in the UK we are not consistently realising the value of planning in practice, especially compared to parts of continental Europe. It is based on research conducted by The University of Glasgow, The University of Sheffield and the RTPI.

## Who should read this?

This report will be of interest to policy-makers, decision-makers and practitioners in planning in the UK and internationally, and researchers and commentators interested in planning and growth.

## Key messages

Planning can produce significant benefits for society, including delivering more and better housing development. In the UK, these benefits are not being consistently realised. In part this is because of decades of almost continual changes to planning policy and regulation.

Planning is critical to providing clarity and confidence for investments by markets so that they are able to deliver good development. It can improve the quantity and quality of land for development, ready land for construction, resolve ownership constraints, and bring forward investment by ensuring that the right infrastructure is in place. In these and other ways, planning can lower the overall cost of new development, open-up opportunities for development, and contribute to the creation of successful places over a long-term.

However, thirty years of almost continual changes in planning policy and regulation, and the failure to recognise and support the potential of planning, has left the UK incapable of consistently delivering good quality (new) places.

Serious cuts in local government budgets, combined with the impact of continual change, have increasingly limited the ability of local planning authorities to ensure more and better development. This is in contrast to parts of continental Europe, where planning is better able to promote growth and development because it is proactive, strategic, and properly resourced. In these contexts, more homes have been built.

The UK's repeated failure to build the required number and right kind of housing shows the need for a change of direction. There is an urgent need to take stock of the planning systems we have now, what they can deliver, and to debate alternative futures for planning that might produce better results.

Instead of stripping powers from planning authorities, governments need to maximise the potential of planning and ensure that planners have the powers and resources to deliver positive, proactive planning.

Three key things need to be done. Firstly, planners themselves need to talk much more about how better economic as well as social and environmental outcomes can be delivered through well-planned development. Secondly, national and local government needs to consider the particular powers, resources and expertise that planning services require. Thirdly, in both research and policy, the value of planning needs to be analysed according to the extent to which it delivers the economic, social and environmental benefits it can, and how to ensure these outcomes are maximised.

## Main findings

### The benefits of planning

Planning is critical to the efficient functioning of markets which are able to deliver the full benefits of new development.

Planning can improve the quantity and quality of land for development, ready land for construction (for example, by treating contaminated land), resolve ownership constraints (where there are many different owners), and bring forward investment by ensuring that the right infrastructure (such as transport and public amenities) are in place. In these and other ways, planning can lower the cost of new development, and open-up new opportunities for development.

This report includes, as examples of what can be achieved, five award-winning developments in the UK that demonstrate how planning can deliver housing and economic growth, namely:

- Cranbrook in East Devon – a new community created by proactive planning that could provide more than 7,500 homes over the next 20 years.
- Brindleyplace in Birmingham – a large-scale carefully planned urban renewal which has preserved the area's heritage whilst revitalising it to attract new business and leisure uses.
- Upton in Northampton – a high quality urban extension comprising 1,350 homes, with a commitment to exemplary urban design and environmental sustainability.
- Norwich Riverside – a large regeneration project which has transformed a former industrial site into a successful major residential, retail and leisure development.
- Fairfield Park in Bedfordshire – where the local authority has played a crucial role in shaping a high quality, attractive development with a strong sense of community and good facilities.

Effective and proactive planning can contribute to the creation of successful places, which in turn can produce considerable economic, social and environmental benefits for society over a long-term.

### Continual change has undermined planning

The UK's planning systems, especially in England, and often the very notion of urban planning itself, have been under sustained scrutiny for a considerable period of time. Critics have pointed to the speed of decision-making, the perceived regulatory burden imposed by planning systems, and a lack of local involvement in plan-making and planning decisions as three key reasons why 'planning needs to change'. Since the early 1980s, these concerns have driven numerous high profile reviews of these systems, and much planning policy and regulatory change.

This impetus for almost continuous change seems inexhaustible. However, thirty years of almost continual changes, and the failure to recognise and support the potential of planning, has left the UK incapable of consistently delivering good quality places.

Many changes have been informed by the flawed notion that planning has held back an otherwise efficient, self-regulating market that, if freed from its 'constraints', would be able to more rapidly deliver development. This has not proven to be the case, as the current crisis in housing affordability in parts of the UK demonstrates.

The current critique of planning (especially in England) is focused on the issue of housing supply, and subsequently housing affordability. However, given market structure in the development industry, skills shortages and a myriad of other factors, it should be no surprise that changes made to planning systems in the recent past have had little impact on the delivery of new housing, as opposed to simply granting more planning permissions.

Despite the evidence, rising house prices are still regularly framed by some commentators as solely or largely a consequence of 'planning regulation', rather than its undermining.

Serious cuts in local government budgets, combined with the impact of continual change, have increasingly limited the ability of local planning authorities to ensure more and better development.



It is unsurprising then, according to a survey of RTPI members in England, that:

- nearly three-quarters (73 per cent) think that constant changes to planning have hindered their ability to deliver good places;
- more than half (53 per cent) think that these changes have hindered housing development;
- nearly 70 per cent think that they are less able to deliver the benefits of planning compared to 10 years ago.

This is in contrast with parts of continental Europe, where planning helps to promote growth and development because it is proactive, strategic, and properly resourced. In these contexts, more homes have been built.

The full report on which this briefing is based suggests that much change has been premised on flawed (too narrow and partial) evidence and analysis and, as a result, has led us further in the wrong direction. In response to those who see the failure of recent changes as an argument for even more 'reform' and deregulation, this will merely perpetuate the failure to properly diagnose the weaknesses in our current systems.

In England in particular, constant change is producing a planning system that is more complicated and more uncertain, with less local autonomy, consultation and accountability (neighbourhood planning notwithstanding), a reduced ability to ensure that development is well-planned and connected, and a narrower range and number of affordable housing to rent or buy (irrespective of local need).

Counter-productively, this could well increase long-term development costs through the sporadic release of land in locations poorly served by transport and other facilities.

It is time to recognise that successive waves of change mean that we now have planning systems which struggle to deliver widely-shared economic, social and environmental goals. The UK's repeated failure to build the required number and range of housing shows the need for a change of direction. There is an urgent need to take stock of the planning

systems we have now, what they can deliver, and to debate alternative futures for planning that might produce better results.

### The way forward

In asserting the potential benefits of planning, the full report on which this briefing is based does not seek to defend every aspect of current planning systems in the UK, nor does it argue for a return to a supposed golden era of planning that may never have existed.

Rather, it explores the evolution of our current systems and offers a critique of the direction of planning policy in the last three decades or so. This analysis has important implications for what we might realistically hope to deliver through planning, even with (or because of) continued reform.

What is clear is that public sector-led development should play a stronger role in delivering the kinds of outcomes we need. Instead of stripping powers from planning, governments need to maximise the potential of planning and ensure planners have the powers and resources to deliver positive, proactive planning.

Three main things need to be done.

- Firstly, planners themselves need to talk much more about how better economic as well as social and environmental outcomes can be delivered through well-planned development, and less about planning procedures and processes.
- Secondly, national and local government need to consider the particular powers, resources and expertise that planning services and agencies require to ensure that better outcomes are consistently delivered.
- Thirdly, in both research and policy, the value of planning needs to be analysed according to the extent to which it delivers the economic, social and environmental benefits it so demonstrably can, and what needs to be done to ensure these outcomes might be maximised in practice.



We also need much stronger leadership in planning across the public and private sectors, and by communities, in the following key ways:

Public sector leadership, including:

- Thinking about places first, by bringing together agencies, government bodies and service providers to identify and deliver the best long-term outcomes across different policy areas.
- Making local plans and other strategies genuinely long-term visions, by using tools such as horizon scanning, as in the UK Government's Foresight programme.
- 'Place-making' through the public management of land supply (as demonstrated by the historical experience of creating new towns).

Private sector leadership, including:

- Learning the lessons from Urban Regeneration Companies, Urban Development Corporations, Enterprise Zones and other private-led partnerships, which demonstrate some of the ways in which barriers to development can be removed to facilitate development.
- Opening-up large-scale developments to market forces within the context of appropriate master planning frameworks. On these sites, private developers could be given the freedom to deliver new homes, by competing on quality, building and design standards, and price.

Community leadership, including:

- Building on the tradition of local community efforts to stimulate growth, manage development and create new settlements, through models such as Community Land Trusts, Community Development Corporations (as in the United States), and garden cities.

The combination of the long-term planning of new places combined with organisations concerned with their ongoing management could be a powerful means of creating sustainable communities as well as delivering new development.

A key issue to be addressed here would be land value capture, whether compulsory purchase is required to enable this or whether other mechanisms of allocating land in plans for community-based ownership could generate similar returns.

Ultimately, reforms that have narrowed the focus of planning and in particular restricted its ability to respond positively to pressures for urban change have served to damage, rather than enhance, long-term economic prosperity, let alone environmental sustainability and social cohesion.

It is time to think again from first principles exactly how the benefits of planning can best be realised. If the full benefits of planning are to be realised, we need reforms that exploit its true potential to reconcile economic, social and environmental challenges through positive and collective action, and which confront those sectoral interests that seek only short-term, self-interested solutions.

### About the research

This briefing is based on research conducted by Professor David Adams and Michael O'Sullivan at the University of Glasgow, Dr Andy Inch, Professor Malcolm Tait, and Professor Craig Watkins at the University of Sheffield, and Dr Michael Harris, RTPI.

The full report is available on the RTPI website at: [www.rtpi.org.uk/valueofplanning](http://www.rtpi.org.uk/valueofplanning)

### About the RTPI

The Royal Town Planning Institute holds a unique position in relation to planning as a professional membership body, a charity and a learned institute. We have a responsibility to promote the research needs of spatial planning in the UK, Ireland and internationally.

More information on our research projects can be found on the RTPI website at: [www.rtpi.org.uk/knowledge/research/](http://www.rtpi.org.uk/knowledge/research/)

You are also welcome to contact us at: [research@rtpi.org.uk](mailto:research@rtpi.org.uk)