



PLANNING BULLETIN

BARKER REVIEW

PLANNING FOR ECONOMIC GROWTH IN THE 21ST CENTURY

Background

The long awaited Barker Review of Land Use Planning has now been published by HM Treasury, in association with the Department for Communities and Local Government.

If implemented, this represents a radical and pro development overhaul of the planning system compared to that introduced by the Deputy Prime Minister by the 2004 Planning and Compulsory Purchase Act.

Why does it concern me?

The Review has fundamental implications for all landowners, investors and occupiers of commercial and residential property because the planning system controls the supply of land and buildings and determines capital values. It could also have a significant effect on public sector policy makers who have major infrastructure or other government national policy proposals to implement.

Why the review?

The review was instigated by HM Treasury as a response by business that the UK was uncompetitive as a direct result of the Planning System. In short, business considers that the economic benefits of development have hitherto been neglected by the planning system operating in England whilst it also unnecessarily restricts competition. Business also considers that the planning system has become too complicated, and takes far too long and delivers inconsistent decisions. This is not conducive to a modern and efficient economy competing in global markets.

What are the key recommendations?

Listed below are the key proposed changes.

- **Economic benefits of development to be a key material planning consideration in determining planning applications**

The Review places a new emphasis on Local Planning Authorities to fully recognise the importance of economic benefits of granting consent. Hitherto, issues such wealth generation associated with the proposal, including job creation - for example, in retail developments - have tended to be ignored by decision makers.

- **Presumption in favour of development**

Where there are no clear policies in the development plan the review states that permission ought to be granted unless there are good reasons not to do so because of environmental, social and economic costs.

- **Planning Gain Supplement**

Looks set to be introduced and in effect will be a tax payable on the uplift of land values as result of the grant of planning permission. The revenues generated are to help finance the necessary improvements to local infrastructure in terms of roads, schools and hospitals.

- **Reform of the Business Rate relief**

The Review considers the need to introduce a charge on vacant derelict previously developed land. This is to prevent land banking and holding back the regeneration of sustainable sites in urban areas.

- **Review of green belt boundaries**

Green belt around English villages, towns and cities are to be reviewed so that the projected growth of population and household needs can also be met on the urban fringe. It is considered that this is the most sustainable approach to development as it saves on commuter trips and journeys and “densification” of sites in urban areas is not the entire solution the England’s growing housing needs.

- **Removal of the “Need Test” and increased competition**

Although retail and commercial developments should be located in town centres first, retailers and other commercial developers and occupiers will no longer have to demonstrate that there is a need for their proposal.

Where planning decisions are seen to restrict competition unnecessarily the Competition Commission will be consulted.

- **Major Infrastructure Projects**

These are to be speeded up through the planning system by the Government drawing up Statements of Strategic Objectives and the creation of a new Independent Planning Commission to be the planning authority to determine such proposals

- **Speedier Planning system**

The review recognises that the planning system is too slow and cumbersome and recommends specific measures to resolve this including:

- Taking out of the planning system minor householder and commercial premises applications by reviewing the General Permitted Development Order.

- Providing less information in support of the application – including removing the need to provide Environmental Assessments for non major applications.
- All Development Plans to be completed in 2 years and to be less detailed and pre-occupied on sustainability and process.
- Planning Inspectorate to determine which applications should be determined by written representations, hearings or inquiry – increased use of a mediation service.
- Planning Delivery Agreements – for major applications so that Local Authorities become more focused on the outcome of the planning negotiations and not on process of meeting their targets for determining planning applications within a specified time period.
- Supports new powers for the Mayor in London to determine strategic planning applications in London and not the Boroughs.
- Local Planning Authorities to be forced to tender out services where delivery is failing.
- Increase in pre application meetings – but also to be charged for them – as well as increasing planning fees for planning applications.

Next Steps

The Government will now consider these proposals and, where necessary, will introduce new planning legislation as announced in the Queens Speech 7 November 2007 to implement the proposals.

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