

PRIME MINISTER

25 April 1986

MEETING ON 30 APRIL WITH SIR JOHN SAINSBURY'S GROUP

Further to your meeting of 29 April and 9 December 1985 with Sir John Sainsbury's group, the Committee and DoE now report back to you on its proposals to simplify, clarify and expedite Town and Country Planning law. Attending your meeting at 9.30 am will be:

Sir John Sainsbury, Chairman & Chief Executive of
J Sainsbury plc

Clifford Chetwood, Chairman & Chief Executive of
George Wimpey plc

Mr Christopher Benson, Vice Chairman & Managing
Director of MEPC plc, Chairman, London Docklands

Mr Nigel Mobbs, Chairman & Chief Executive of
Slough Estates plc, Chairman of the PSA Advisory
Board

Mr Idris Pearce, Managing Partner of Richard
Ellis, Surveyors

Mr Roger ^{Stoddards} Stoddards, Senior Partner of Last
Stoddards, Solicitors

Sir John Taylor, Partner of Chapman, Taylor & Co

Kenneth Baker

Lord Young

~~Mr Trippier~~ *Lord Elton*

Michael Howard

1. Progress and way ahead

Following your meeting with the Group on 10 December 1984 and your two meetings last year, considerable progress is now reported by Kenneth Baker, which we set out below.

Time taken to reach decisions on appeal.

The DoE report shows they are happy that the time taken to process planning appeals has been reduced from 9 months to 3 months. This is still unsatisfactory and should be reduced to a maximum of 6 weeks.

Stiffening the regime for the award of 'Costs' & 'Time Limits' on written representations

Although this now comes within the current measure the Housing and Planning Bill, the precise details of what the regime of 'Costs', and the actual 'Time Limits', have been left for Ministerial decision after the Bill becomes law. This must be a matter for continued concern for the Sainsbury Committee.

Case for paying urban development grant direct to the recipient

Provision has been made in the Housing and Planning Bill for this to happen.

The disposal of unused public land

Less than 1% of the entries on the register of unused land have been sold by direction of the Secretary of State. While it is true that other land holdings owned by the public sector have been sold or used without the requirement of a direction from the Minister, nevertheless the failure to use the power in the 1980 Act is appalling.

Structure plans

It is proposed that county structure plans should go and that local plans should remain. However, the proposal put forward by DoE - while it is precisely what we want - has two stings in the tail. Firstly, the abolition of structure plans would

not take place until after a General Election and secondly, it is part of the deal to get rid of the Sainsbury Committee which is highly unpopular with the DoE officials. *- a very*

2. Future of the Group

good reason for retaining it.

You will be under some pressure from Kenneth Baker to replace the Group with a new one with appointees that he will nominate. This Group may have a few from the existing Committee, particularly Nigel Mobbs and Idris Pearce. Lord Young reports further thought should be given to a new round of improvements in the planning system. You may feel that the Sainsbury Group has proved its worth and should continue in operation to monitor progress and produce new ideas. As an example of the way Nigel Mobbs develops the argument on reducing planning control further I attach an excellent speech he made last week, (flag 1). Officials at the DoE have certainly moved under the pressure from the Sainsbury Group. The Group have included the best people they know and they do not wish to have others join them. Kenneth Baker might argue that it is inconvenient to have a Group meeting under the cloak of confidentiality. Against this you may feel that a White Paper would be a good time for the public to provide further input.

3. Handling

In the pre-meeting of Ministers between 9.00 and 9.30am, a line can be agreed with Kenneth Baker as to the future of the Group. The issue of the abolition of structure plans can be agreed.

For the meeting with the Sainsbury Group, you may like to ask Kenneth Baker to report on the discussions and for Sir John Sainsbury to comment.

4. Conclusion

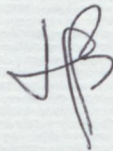
We recommend you encourage the Sainsbury Group to continue their good work. Still needing attention are:

- a. Much more efficiency in the disposing of planning appeals; down to six weeks?
- b. Proposing to abolish structure plans with safeguards for Green Belt, parks and tourist amenities and keeping local plans.
- c. A bigger drive to dispose of unused public land.

You might like to add:

- d. The listing of appeals. This can take 3-9 months.
- e. Whether delay by local authorities in deciding on an initial application should result in deemed consent - after say 8 weeks.
- f. Whether applications in the Green Belt should be automatically refused but automatically appealed.

A disgruntled developer said recently we should 'alert the inert'!



HARTLEY BOOTH

THE CARLTON CLUB, 21st APRIL 1986

PLANNING - A BARRIER TO ECONOMIC GROWTH

A COMMERCIAL PROPERTY VIEW

Mr. Chairman,

The topic for tonight's discussion is both timely and necessary if Britain is to remain competitive in international trade and an attractive haven for commercial and industrial investment, both domestic and inward. Ever since the war, planning has in various degrees been an impediment to economic growth and the unfettered establishment of industrial development based upon free market forces. The history of planning could perhaps be encapsulated in the proposition that if speculative profit is the unacceptable face of capitalism, then development control is the unacceptable face of socialism.

Having said that, and having been in the past labelled an adversary of the planning system, may I at the outset say that there is little wrong with the fundamental legislative frame-work of planning in this country. What is wrong is the attitude of those who administer the system and the negative interventionist application of the rules. Planners lag events and impose a historic rigidity on change and evolving business needs.

If we go back to the origins of planning, it was clearly conceived by the draughtsmen of the 1947 Planning Act that it was to do with the use of land, the allocation of land between conflicting uses, and control of development which was environmentally intrusive. It was only in the 1960's and 1970's that authorities, backed by the full array of social scientists, modelling techniques and quantitative analysis sought to impose economic and social order on the basic market concepts of commercial life.

May I cite some specific examples.

First is the South Yorkshire Structure Plan submitted in 1978 which stated that, by their very nature, the main planning issues are concerned with the acquisition and distribution of those resources both public and private with which the structural deficiencies in the social, economic and physical fabric can be tackled.

Second, the Hertfordshire Structure Plan contains the remarkable comment as a reason restricting the spread of small businesses that they tend to grow and cause employment pressure.

Third, in some counties surrounding London, plans relating to road improvement give priority only to local use and not industry. This is a solution which it is admitted does not best serve the "national interest".

The consequences of the over-detailed and at the same time abstract approach to the development of planning policies is that elected members of local authorities, aided and abetted by officials, have sought to engineer a destiny which is remote from the harsh reality of commercial and industrial life. In so doing, they destroy sound investment criteria, they deny communities employment opportunities and they impose a social and economic uniformity that defies the laws of social gravity. In addition, as a consequence of the crazy way in which local government finance is ordered, they have no regard for balancing the tax base of their community and encouraging prosperity.

Another disturbing feature of planning control is the resultant waste and blight occasioned by indecision and lack of a consistent application of policy. Dr. Alice Coleman in her very compelling study of 'Land Use, Planning Success or Failure', 1977, suggests that in many urban areas the most prevalent land use change is from a useful form of use to waste.

The problem of blight in the inner cities is also a continuing problem of conflict.

Ian Mikardo aptly defined planning blight as "the most direct and severe example of the perfect being the enemy of the good. Nothing is done because somebody is trying to think out something better.....than everyone is ready will and able to do.....
Nothing is being done in bricks and mortar because so much is being done on bits of paper".

Some would argue in favour of revolution which would substitute our structure and local plans by land zoning as known in North America and elsewhere. This to my mind would be a disaster in so far as we would have to accept a hiatus that would go with revolution, even though the ultimate consequences of zoning might be more attractive and might stabilize and de-politicize many of the decisions. Simply we cannot accept the chaos that would be implicit with such a major change in principle.

My main accusation as to the negative impact of the town planning system is that the administration of the law is bad. It is bad because authorities who are given the duty to administer it are ill-informed, narrow-minded and remote from the commercial facts of life. They are also unaware of the urgency of the matters which they have a duty to determine.

Second, they have an excessive and forensic interest in being involved in the detail of applications, even to the point of arguing over colours of bricks and glass and the detailing of windows and doors.

Third, there is agenda congestion in the conduct of planning meetings. I have with me here a copy of a typical agenda of a district in Berkshire, some 70 pages, much of which is devoted to trivial householder applications which should be relegated to officers' decisions.

Finally, the administration suffers because they are working to redundant structure planning policies often conceived on data collected in the prosperous 1970's, whose relevance in the 1980's is about as good as using Christopher Wren's building code for the building of Canary Wharf.

Furthermore, current administrations do not necessarily agree with planning policies formulated by a former and different political regime. This results in confusion, indecision and inactivity.

What then does the future bring? First, the good news.

The Department of the Environment, initially under our chairman's leadership, has grasped the vital elements of these problems and has issued guidance which is included in a number of very significant circulars issued in 1985.

1. There was Circular 1/85 which laid down a frame-work for the use of conditions to planning permissions, their relevance and suitability.
2. Circular 14/85 which re-stated an old principle of planning, namely the presumption in favour of allowing development, unless demonstrable harm would result to important interests.
3. Circular 31/85 repeated, but in a more positive way, advice given by Michael Heseltine in Circular 22/80 in which he was quoted as saying "Far too many of those involved in the system - whether the planning officer or the amateur on the planning committee - have tried to impose their standards quite unnecessarily on what individuals want to do... Democracy as a system of government I will defend against all comers but as an arbiter of taste or as a judge of aesthetic or artistic standards it falls far short of a far less controlled system of individual, corporate or institutional patronage and initiative...".
4. We have currently the review of the Use Classes Order. This has created considerable controversy, particularly from those with vested interests who fail to see the wider ramifications of planning policy and the changing use and demand for buildings. The changes proposed will encourage enterprise.

5. We have the simplified planning zones which are now being legislated for. I welcome these, though I am deeply suspicious that there are many authorities who will not see the arrival of these zones as simplification but merely an excuse to impose even greater rigidity of control than that which exists under the law. I hope I am wrong in this but I am worried at the attitude of some authorities evidenced in Enterprise Zones.

Now to the bad news.

1. Decisions on important commercial and industrial schemes which will generate both direct and indirect employment still take far too long to be decided.
2. Authorities disregard even the strongest Circulars and meddle in detail which they have no right to do. Such action can only be remedied by Ministerial censure and the award of costs.
3. The appeal system; whilst it has improved in some respects, it has not quickened in respect of those major developments upon which this country's economy and employment prospects depend.
4. The structure and local plans are all too frequently obsolete and irrelevant to the issues of 1986. I hope that, arising out of the abolition of the metropolitan areas and the introduction of unitary plans, these may provide a better frame-work for planning policy control than the current system which inevitably encourages conflict between local and county interests.
5. Far too many authorities still use local user conditions as a means of restraint. These conditions prevent the birth of new business and over a period of time result in the economic decline of an area as has been seen in the West Midlands over recent years.

So finally, Chairman, may I catalogue what I believe to be the needs:

1. Improved administrative procedures for dealing with applications and appeals. This requires greater delegation by elected members to officers, less involvement in inessential detail and a greater discipline upon parties to appeals to ensure that all the detail is made available in good time to avoid abortive and unnecessary work.
2. There needs to be contemporary policy guidance to elected members, planners and applicants which is publicly visible and which is understandable by both sides.
3. There has to be curtailment of irresponsible fringe objectors. Alfred Smith, who had so much to do with the development of New York in the 1930's, once said: "the thing we have to fear in this country is the influence of the organized minorities because somehow or other the great majority does not seem to organize. They seem to feel that they are going to be effective because of their own strength but they give no expression of it". I believe that the irresponsible fringe objector has had far too much licence to the detriment of development that is productive and valuable to the community.
4. I believe there needs to be a programme which crusades and encourages the view that development is a productive activity for the good of the community and in response to community objectives.
5. There needs to be positive involvement of all the community in planning, not merely the enfranchised minority rate-payer. It must be recognized that development contributes to local and national prosperity and the community's tax base. I am afraid that commercial and industrial interests go by default because they are disenfranchised. Taxation without representation is a tyranny. Therefore is planning a tyranny on commerce and industry? - A tyranny this country and its people cannot afford if we are to succeed in the future.

Sainsbury file

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24 April 1986

Dear Hartley

There is no formal paper, except that which John Delafons produced on which we had some comments.

I believe that the major issues are:

- (1) Should we drop structure plans? They are getting out of date. We believe that the Unitary Plan is a good workable arrangement and that central government should encourage local government by funding (with financial and possibly manpower resources) a couple of trial UP's as soon as possible to make the planners believe they can work and to show how the Structure Plans can be left to die.
- (2) There is some procedural tightening up - eg. "pre-consultation", ie. consulting with authorities in the run up to a planning application rather than the seemingly endless waiting for consultation views thereafter.
- (3) Delays in planning decisions at departmental level is still a sore point. It is always the big and difficult ones which seem subject to endless delay: we concede garage extensions do go through more quickly. But it is the big ones which are concerned with employment.

I hope this helps. The party was splendid - thank you.

As ever

Roger

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