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SET THE SYSTEM FREE TO BUILD MORE HOMES! There are better ways to house people than Prescott's command and control policy says new Politeia pamphlet.

The housing shortage in the South East has once again focused attention on the failings of the Planning System. Introduced in the 1940s as part of the attempt to create a planned economy, the system is supposed to ensure we build homes where they are needed, but that has not happened. Most agree that planning has become impossibly slow and sclerotic. Most also agree that in such a small and crowded island it would be unrealistic just to let the market rip.

What are the options? John Prescott's recently announced plan is effectively for predict and provide - a top down decree to build an extra 200,000 new homes in the next 10-15 years in four designated zones. This is to go with a re-weighting of the planning system giving more power to Whitehall. But will this approach work, or will the system seize up under the dead hand of the state and the popular uprising which will surely follow the over-ruling of local objections?

The alternative, for which 'Building More Homes' argues, is to free up the system to make it more responsive to local pressures before they become acute. Richard Ehrman and Crispin Kelly explain that Prescott's plan to by-pass local councils will only add to the delays and confusion, with an escalation of legal action in the courts. Moreover, it fails to provide adequately for the essential services and infrastructure the new developments will need. The authors urge a systematic freeing up of the system together with a package of incentives to encourage development consistent with local support. In particular:

More Brownfield development should be encouraged with favourable tax treatment.

The distinction between commercial and residential use should be relaxed to allow more conversion from offices to homes, and more mixed uses.

To overcome nimbyism we need to build more attractive homes and planning controls must encourage good design.

More homes could be built within the M25. There are 60,000 acres of agricultural land within 16 miles of Trafalgar Square, some of which could surely be used for housing.

Planning Gain - the tax paid by builders to councils - should be simplified so that all know exactly what is expected of them.

Social Housing should no longer be the preserve of Housing Associations but should be open to investors (e.g. pension funds or unit trusts) to run. Private investors could be attracted by favourable tax breaks.

The balance of responsibility must be restored to councils together with incentive to look constructively on development proposals. To begin with they should be allowed to keep all the tax that a new development produces to spend as they wish, as an incentive to bolster their local tax base.

What is needed, is neither Prescott's quick fix, nor a planning free for all, but a more flexible and responsive system for decent housing at an affordable cost.

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