

# Planning for the 21<sup>st</sup> Century

*Proposals for Planning Policy*

Policy Paper 55



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# Summary

Liberal Democrats believe Britain needs a planning system that will deliver long term prosperity, affordable housing for citizens and sustainable development whilst giving protection to the environment. Such a system needs to be driven by the people from the ground up rather than directed from the centre. Liberal Democrats believe in active citizenship and decentralisation. We believe that the UK should have a federal form of governance with the powers of each level defined. We want to build a planning system that reflects these principles.

Liberal Democrats will create a decentralised federal system of government. The new planning system will reflect it:

- National government is responsible for drawing up policies on matters of national strategic importance, subject to Parliamentary approval;
- Nationally important applications will go to public inquiries to decide whether the application is consistent with national policy and the site is appropriate;
- The inquiry will make recommendations to the Secretary of State who will within 30 days bring a decision to Parliament for approval;
- Elected regional governments will be free from central interference to draw up spatial strategies in partnership with local authorities.
- Matters such as household numbers will be decided at local and regional level, not at national level;
- The voluntary chambers of directly ruled regions will draw up the spatial strategy which will be subject to parliamentary approval;
- Local planning authorities will draw up their own local development plan (LDP) to form the policy statement on the land use aims of the council;
- Community plans will form the specific local land use and planning policies for each area within the authority.
- End the interference of central government in producing local development plans.
- Co-ordinate sub-regional co-ordination of LDPs through counties or associations of local councils.

Liberal Democrats will create a more responsive appeals system:

- End central government responsibility for local planning appeals;
- Establish an independent local planning adjudicator that will take decisions on appeals based on consistency with the LDP;
- Retain the right of applicants to appeal against refusal;
- Introduce a third party right of appeal.

We will end centrally imposed regulation so that local communities can address their own concerns and problems:

- Allow planning authorities to set their own use class and permitted development rights which will be incorporated into the LDP.

We will address the need for affordable housing:

- End centrally imposed targets for house building;
- Make it a duty for communities in their own plans to consider current and future housing needs;
- Allow for innovative designs and more self build whilst removing barriers to cooperatives and housing trusts.
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Sustainability should be at the core of the planning system so that we do not burden future generations with inappropriate buildings or the cost of clearing up the consequences of our activity and decisions:

- Make the incorporation of sustainable policies a duty in regional spatial strategies and LDPs;
- Include targets for greenhouse gas reductions in spatial strategies and LDPs.
- Create an environmental compensation scheme in which developers pay to a woodland trust or other body for environmental improvements;
- Introduce tougher energy and resource saving standards;
- Planning applications will need to be consistent with the sustainability policies of a LDP.

We will introduce a taxation system that encourages better land use:

- Allow councils to replace NNDR with site value rating;
- Introduce a greenfield development levy to encourage reuse of brownfield sites;
- Harmonise VAT on new build and conversion though the proceeds will be revenue neutral.
- Introduce a planning gain system that ensures communities benefit from new development but is flexible enough to address local circumstances.

We will protect the role of councillors to be leaders within their own communities and to remain involved in planning decision-making:

- Restore the right of councillors to be fully involved in the process of drawing up local and community plans without being regarded as having fettered their discretion when later applications are considered.
- Allow councillors to speak to applicants and opponents without this acting as a bar to taking part in the final decision on the application.

# ***Introduction: Bringing Planning into the 21<sup>st</sup> Century***

## **1.1 Key objectives**

1.1.1 Every generation has a duty to hand on to future citizens a sustainable environment, healthy communities and infrastructure capital by which long term prosperity and wealth creation can be created. We are the guardians of the planet for the future generations – the people who will live with the long-term consequences of our decisions but who cannot influence them.

1.1.2 Sustainability must be a key objective for planning; ensuring economic development can go hand in hand with healthy environment.

1.1.3 Accountability must also be a key objective, ensuring individuals and communities have their voices heard. Planning decisions must be taken through open, transparent and democratic systems. And to be most effective, the citizen must be at the centre of planning.

1.1.4 So Liberal Democrats want a planning system that puts communities and the environment at its heart. Planning should come from the grassroots. Sustainability should be considered in every decision taken. Localities should be free to get on with drawing up proposals without the heavy hand of central government interference. Services to address the normal requirements of life need to be accessible. Therefore, development

plans need to be integrated with transport, education, health and other services.

1.1.5 The system of planning in the UK has a long and on the whole successful history. A Liberal government in 1909 enacted the first planning laws seeking to secure some benefit for society from development. The post-war Labour government in 1947 addressed many of the problems that then bedevilled economic development and the use of land for development by giving us the planning system that is largely in place today. Yet there are now real concerns about how the planning system is working. These are discussed below and dealing with them must also become key objectives.

## **1.2 Problems of Britain's Planning System**

1.2.1 Britain's planning system is far too centralised. All lines of power lead directly to the Secretary of State. Citizens have too little say over their communities. The vast majority of planning applications are for small domestic matters such as home extensions but the system favours large developers. The Secretary of State can call in local plans, reject them, force amendments, call in planning applications and approve or reject planning appeals.

1.2.2 The Government have however started down the route of devolution to the English regions. The Greater London Authority has some spatial planning responsibilities. Similar planning duties have been proposed for the other English regions.

1.2.3 However, Liberal Democrats are concerned that the Government's proposals to devolve planning power still leave far too much power in the hands of the Secretary of State and may in some cases lead to a less accountable planning system than at present. A planning system is needed that takes into account the reality of regional planning but loosens the grip of UK government so that the people in their communities can decide their own futures within UK and regional frameworks.

1.2.4 Liberal Democrats believe in a federal system of government in which the powers of each level are defined and protected from interference and from above by a written constitution. Without the straight jacket of Whitehall interference, local councils and elected regional assemblies will be free to address the real concerns of local people.

1.2.5 A second major failing of Britain's planning system are the long delays. These can be apparent at the national level, just as much as at the local level. Indeed, the centralised nature of Britain's system is a key factor in the delays.

1.2.6 The long delays within the national system can be best illustrated in the long drawn out saga over the public inquiry for the Heathrow Terminal Five building. Years of debate were tied up with arguments about what constituted government policy on aviation and airport

expansion. Had government and Parliament agreed a clearly defined policy, the inquiry could have concentrated on the merits of the application.

1.2.7 Locally, councils' development plans have become bogged down in their production with many local authorities failing even to have completed their first plan years after the deadline. Public inquiries are confrontational and too formal. This is a disincentive to the citizen to play a direct part in shaping the plan so participation is skewed towards organised and well-resourced groups such as developers. It therefore diminishes the opportunities for ordinary members of the public to plan their own future. Some councils can also take extremely long times to deal with very basic planning applications.

1.2.8 A third major failing of the planning system, linked closely to the delays, is the shortage of qualified professionals working within the public sector. A recent study for the former Department of Transport, Local Government and the Regions showed high levels of staff turnover within local planning authorities and major recruitment problems. The popularity of planning as an undergraduate course was also declining. The study estimated that, on average, each planning authority needed an extra four or five members of staff. While the Government has begun to address this, it's significance to any policy for improving Britain's planning system is central.

1.2.9 The staff shortage will impact on any reform. It will prevent quicker decisions. It will inhibit a more citizen-focused approach and it will itself be a block to reform.

1.2.10 Planning decisions of the past few decades have also led to or accelerated problems the system has failed to address, for example, the growth of out of town retail centres, many of which were decided on appeal rather than by the local authority. Meanwhile, too many inner cities areas have gone into decline. Far too often, insufficient consideration is given to integrating planning decisions with other services such as transport and the provision of local facilities.

1.2.11 A fourth and pressing failure is the inability of planning, alongside housing and other policies, to provide the affordable homes people need. The current planning system has clearly failed to deliver an adequate amount of social or low cost housing in some areas of the country. This is causing shortages in some areas of key workers who simply cannot afford to live in some areas especially in London and the South East.

1.2.12 A fifth failing of the system is its inability to engage effectively with local communities. This is partly related to its complexity but also to the perceived difficulties of finding new ways to interest and involve people in preparing plans and in consideration of applications. Without effective engagement, the Liberal Democrat planning objective of accountability cannot be met.

1.2.13 So, after over fifty years of hard work, planning needs a major overhaul. We need a new vigorous system of devolved, citizen-centred planning to take England through the twenty first century.

### **1.3 Liberal Democrat Solutions**

1.3.1 Liberal Democrats want to see active citizens playing a role in their communities. We welcome open and constructive debate on local issues and want residents engaged in putting together their own plans for their own futures.

1.3.2 Putting the citizen in control of planning will require a whole set of rights and responsibilities. Liberal Democrats believe that that there is widespread demand from the public that their voices are heard when planning decisions are made. Liberal Democrat councils were amongst the first to pioneer the right of residents to speak at planning committee meetings. We are all likely to have examples of controversial planning applications encouraging people to take an interest often for the first time in the activities of a local authority. People are interested in quality of life issues and they should have every right to be involved in the decisions that affect their community's local environment.

1.3.3 In recent years, the planning system has developed a rigidity that is stifling pre-application debate. In many places, the "Nolan" recommendations have been used to restrict the activities of local councillors in their representational role. Pre-application discussions should be helped rather than hindered. Communities will benefit by being able to have a more reasoned and informed debate on applications for their own areas. This will lead to less delay when applications are considered and less confrontation.

1.3.4 To many citizens, the planning system is an unfathomable jungle. Confusion about how it works can lead



to poor quality individual planning applications which are delayed for lack of necessary information and are costly to the citizen. Such delays are frustrating for both applicants and local authorities. For many types of applications, a plethora of other controls apply such as building regulations, listed building consent and so on. Liberal Democrats believe that a unified and simplified one-stop shop system is needed to speed up the planning process for the citizen.

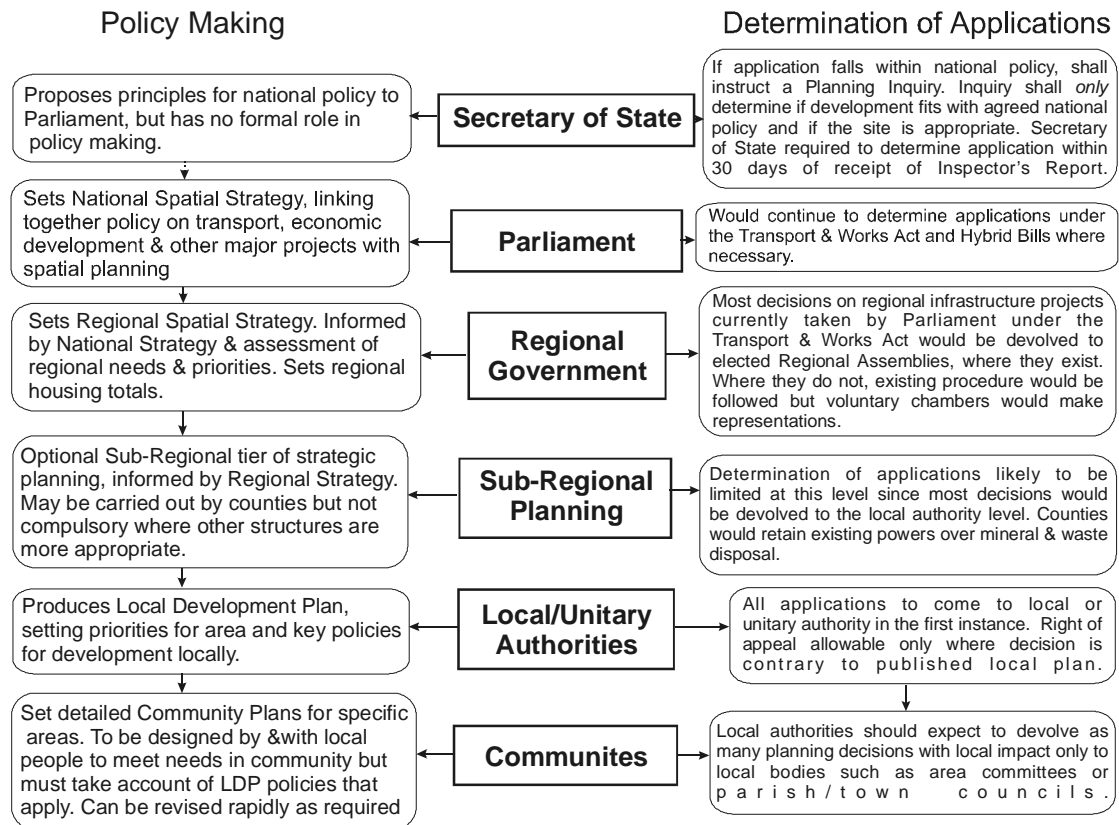
1.3.5 So what would a new planning system look like under the federal form of government that Liberal Democrats want to introduce?

- a. The powers of each level of government would be defined and could not be changed without changing the constitution. Each level would not be able to interfere in another level, helping to reduce delays and clarify accountability.
- b. Each level of government would produce detailed plans appropriate to its powers of decision and covering all of their area, e.g. UK spatial plan, regional plans, local

development plans. These would be explicit about the criteria for the location of development and the actual locations of development in short-medium term. They would be legally binding on planning authorities as well as developers.

- c. The presumption would be in favour of conformity with the plan rather than development in general. This would be approved with a “light touch”. Resources would be increased and more concentrated on plan production rather than control. Permission could be granted to deviate from the plan. Such permissions would not be taken as precedents and would be rare. In such circumstances the planning authority should be required to refer the decision to deviate from the plan to the next tier of government so that the overall integrity of the plan should be protected.
- d. In addition to purely structural changes, there should be provision for the taxation of betterment and/or ease of acquisition of land by planning authorities.

## Liberal Democrat Proposed Planning System:



# ***A New Federal Structure for Planning***

## **2.1 Federal Answers to Centralisation**

2.1.1 The need for a new federal structure for planning comes directly from the over-centralisation of today's planning system. That centralisation has made planning decisions less accountable, reduced community involvement and has been the root cause of many delays. That's why a federal approach is now needed.

2.1.2 The beginnings of a federal structure of governance are beginning to take shape. The past few years have seen some fundamental changes in the constitution of the UK. Four nations and regions have gained some form of devolved government: Scotland, Wales, Northern Ireland and London. It is likely that some at least of the English regions will go down the route of devolution to elected regional assemblies. Liberal Democrats want to encourage this, ensuring that policies like planning are included in such devolution.

2.1.3 Even with some of the Government's new proposals for planning policy, the government still operates a highly centralised system of control over regional, county and local planning. The Secretary of State can intervene in any planning matter and takes the final decision on planning appeals and on local plans. Liberal Democrats cannot accept a situation in which so much power rests in the hands of one Minister. The basic

principle of Liberal Democrats that decision-making should be as close to the people as possible must be reflected in the planning system.

2.1.4 Liberal Democrats would therefore define the planning powers to be exercised at each level of government. They would reflect the roles and functions of the different spheres of governance. The written constitution the Liberal Democrats would like to see introduced for the UK will define the areas of responsibility for each level.

## **2.2 Federal Planning Policy**

2.2.1 At the federal level, planning will be restricted to taking decisions on matters of UK-wide importance. This will, generally, be a major infrastructure project such as national airports, the strategic road and rail networks, major ports, and buildings of national importance such as national sports stadia and those important to national security such as military bases.

2.2.2 This federal policy framework will set the strategic direction of the country and should reflect priorities such as rebalancing relative economic growth between regions. The policy areas to be covered in the framework will reflect the functions of the UK government, as laid out in a written constitution.

2.2.3 The federal planning framework will require UK-wide policies on the issues for which central government is responsible. The government of the day will be responsible for drawing up such policies. Interest groups, members of the public and Scottish, Welsh, Northern Irish, regional and local governments will all be consulted. The UK Parliament will hold the Federal UK Government to account for its planning policies. The policy formation process will follow the standard Green and White Paper route.

2.2.4 When a developer puts forward a major application for a proposal that falls within the remit of a federal policy, the Secretary of State shall instruct that a planning inquiry be held. This will give organisations and individuals the opportunity to raise concerns and objections or to give support.

2.2.5 Prior to a public inquiry, the Secretary of State will facilitate round table talks to give applicant and objectors the opportunity to settle differences where it is possible to do so.

2.2.6 The inquiry itself will consider two main points:

- (a) does the development fit in with the federal policy;
- (b) is the proposed site appropriate.

2.2.7 In the latter point, the inspector will need to take into account the policies contained in relevant regional strategies and local plans.

2.2.8 The developer will be required to produce an economic impact assessment, an environmental impact assessment and an assessment of how the proposed development fits the

federal policy. These shall be submitted as evidence to the public inquiry.

2.2.9 Once the inquiry is completed, the inspector will be required to produce a report and recommendations within 2 months at the end of which they must be submitted to the Secretary of State. The Secretary of State shall be required to accept, amend or reject the inspector's report within 30 days of receiving it. This will prevent politically convenient delays to controversial decisions.

2.2.10 The Transport and Works Act (1991) already allows for some limited infrastructure schemes to be brought to Parliament for approval. These are normally matters such as new bridges across rivers and new tram systems. Liberal Democrats will devolve most decisions currently taken under this Act to elected Regional Assemblies where they exist. In regions that chose to remain directly ruled, the voluntary Regional Chamber will make representations on the proposal but otherwise the same Parliamentary procedure would remain in place.

2.2.11 If approval is given to a federal or regional application, a detailed planning application can then be submitted to the relevant local planning authority which shall consider the details under the ordinary process of applying for planning permission.

2.2.12 In some circumstances, a proposed development requires an individual Act of Parliament. This tends to occur when a major infrastructure project covers a large number of planning authorities, for example the Channel Tunnel Rail Link. Liberal Democrats would retain this system for a limited number of

infrastructure projects of a national importance. The Secretary of State will ensure a public inquiry takes place.

## 2.3 Regional Planning Policy

2.3.1 The current system of establishing regional planning guidance (RPG) is another illustration of how centralised and unaccountable the English planning system is. The bodies tasked with drawing up RPG in each region vary from one region to another. They constitute what are effectively Regional Planning Conferences. They are all indirectly elected in some way with local government holding the majority of the seats. Any RPGs produced are only enforceable once the minister has approved them. This gives enormous power to the centre to intervene in local and regional affairs. Yet, outside London, there are no regional bodies with democratic mandates giving them the legitimacy to establish regional policy on planning.

2.3.2 The government has announced some progress towards the reform of the regional planning process recently. According to the white paper on regional government, *Your Region Your Choice*, elected Regional Assemblies will take on responsibility for drawing up regional spatial strategies. Those regions that choose to remain directly ruled will draw up regional spatial strategies through their regional voluntary chambers.

2.3.3 Liberal Democrats believe a region that opts to have an elected Regional Assembly should be free to develop its own spatial development plans with reference to national policies but without interference from Whitehall. This is because there are a number of strategic planning issues

that are rightly the decision of a region. For example, a region will be free to integrate its spatial plans with other strategies for transport, culture, health, environmental protection and other strategic policy areas.

2.3.4 At the sub-regional level, the Government is proposing a change to unitary local government as a condition of the introduction of an elected Regional Assembly in any single region. This will impact on planning, as other spheres of local government will be amalgamated. This potentially will cause problems for sub-regional planning.

2.3.5 Liberal Democrats believe that local and regional government structures are separate matters and should not be tied together when considering reforms and changes. The shape of local government should be a decision for a region to take once its elected Assembly is in place. Large regions in particular should be free to retain the County structure in order to carry out Sub-Regional co-ordination. This goes for planning as much as it does for other policy areas.

2.3.6 There are other problems with the government approach to regional government and planning. We oppose for example the controls that the government propose should continue for the Secretary of State to have the final say over the contents of regional spatial strategies. Such controls are not consistent with real devolution. It will also be vital to ensure that in regions where regional assemblies are not established, no change is made in planning structures that might reduce accountability.

2.3.7 In creating a regional strategy for matters such as spatial planning, transport, biodiversity and so on,

neighbouring regions will have the right to be consulted on the contents. A region cannot act in complete isolation. Neighbours will have to co-operate and their minds will be concentrated on the task of creating workable strategies in agreement with each other by a requirement to have strategies in place in timescales that will be set out in the legislation that will set up regional government.

2.3.8 If negotiations between two different regions on a strategy do break down, there does need to be a mechanism for settling the matter. In such circumstances either side can call a planning inquiry. The results will be binding on the different regions involved. However, we expect such a mechanism to be a last resort.

2.3.9 Not all regions may opt for devolution. Their preference could be to continue as a region directly ruled by Whitehall. In such circumstances,

there will be no directly elected regional body with the legitimacy to be able to speak for the people living there. Nevertheless, such regions would continue to have a voluntary Regional Chamber made up mainly of representatives of local government but also including representatives of key stakeholders. These chambers should therefore be responsible for producing regional spatial strategies. As a region opting to remain directly ruled, however, Parliament should be required to approve, amend or reject strategies though where a dispute occurs with a devolved region, the above mechanism of inter-regional arbitration will apply.

## **2.4 Local Planning Policy**

2.4.1 Since most planning policy and planning decisions are local, we have given a separate chapter to this part of our Federal planning policy.

# *Keeping Planning Local*

3.0.1 A key element of the Liberal Democrats planning system for England is the local development plan, prepared by the local planning authority. As now, the local planning authority will be district, metropolitan and unitary councils as well as London boroughs and national parks.

3.0.2 By local plan, we mean a plan more equivalent to the current Unitary Development Plans and Local Plans, as opposed to the government's proposed Local Development Frameworks. We believe more progress can be made by improving the existing planning framework at local level, as discussed below, than by tearing that system up completely and replacing it with a framework that provides less certainty.

3.0.3 The Liberal Democrats' local development plan will outline the policies against which planning decisions within the area are made. Under the Liberal Democrats there will be a presumption in favour of the Local Plan and its sustainability policies when considering applications. [Planning matters in Wales and Scotland are devolved matters and the Liberal Democrat state parties in those nations will produce their own policies on this matter.]

## **3.1 Problems with Existing Local Planning**

3.1.1 There are a variety of problems with planning at a local level in the current system, many of which were rehearsed in the Introduction. These include staff shortages in planning

departments, lack of community involvement, problems with enforcement and so on. However, a key problem has been the production of the plans themselves. The government have admitted in their Planning Green Paper in December 2001 that 13% of the 362 local plans were still not been in place by November 2001 even though the process of drawing them up began in 1992. Meanwhile the time limited elements of 214 plans have expired and many authorities have no estimated date for the deposit of proposals for alteration or replacement of those plans.

3.1.2 Plans have become too overburdened with details for the whole of the area covered by a council. The inquiries through which they have to pass before adoption are confrontational and discourage community involvement. Plans need to be clearer documents setting out what a local authority and its communities wish to achieve in terms of the development of the land and how such development will be integrated with other facilities such as the provision of schools, roads, green spaces and so on.

## **3.2 Local Plans**

3.2.1 A new approach to developing local plans is required that deals with these problems, ensuring, for example, there is maximum community participation.

3.2.2 Under the Liberal Democrats, there would still be one main Local Development Plan (LDP), but this would be largely based on Community Plans (CP) where local communities within the planning authority had actively been involved in designing plans for their own neighbourhoods. Thus, while there remains only one legal local tier of planning through the LDP, the intention would be that this was based on real community level planning.

3.2.3 We will require each district, unitary, metropolitan and London borough council to produce their LDP. Like existing Unitary Development Plans, they will be council wide strategy documents that contain the broad development aims of the local authority. It will set out the principles on which development within the area will take place that will be based on the strategic vision of the authority. In this way the plan will be joined up with other functions of the authority, such as the provision of schools and parks, the development of transport systems and the use of sites for commercial and industrial development.

3.2.4 Liberal Democrats will ensure there is a statutory requirement for the LDP to outline the environmental sustainability policies and targets of the authority. Such objectives will pay due regard to regional and federal environmental objectives such as the reduction in traffic and emissions of carbon dioxide and other greenhouse gases. They will have to demonstrate that land use and development will lead to sustainable outcomes.

3.2.5 The LDP will also outline policies for designing crime out of new developments and buildings.

3.2.6 The production of the LDP will be conducted in partnership with residents and stakeholders on the one side and the elected regional government on the other. Indeed, as the main LDP process focuses on strategic issues, its details will be drawn from Community Plans where these are developed. However, the planning authority must inevitably retain the legal responsibility for ensuring such CPs are actually prepared and drawn them up themselves, if a CP is for whatever reason not produced. No authority can work in isolation for the effects of its decisions are often felt beyond its own borders. The region will provide the strategic direction to ensure co-ordination of functions takes place. Its regional spatial strategy will form the framework within which local authorities will draw up their LDPs.

3.2.7 Local authorities will be under a statutory obligation to consult widely and involve the people directly in writing the LDP. Councils will ensure that interested local groups have the opportunity to feed their ideas and views into the process of writing the LDP.

3.2.8 The LDP shall include a statement on the principles adopted by the authority on accessibility. Each planning application shall therefore be required to show how disabled access will be achieved.

### **3.3 Community Plans**

3.3.1 The key objective of developing the option of Community Plans is to highlight the need to engage local communities in planning and to force planning authorities to engage more effectively.



3.3.2 The LDP will at an early stage of its own development produce a map of the council area divided into communities, for the purposes of the CP option. Each community will vary in size but should be a recognizable geographic area. There will be no set standard for the size in terms either of population living within them or of area. A community could be a town, a housing estate or a village. It will be the role of the local authority to enable the community to produce a detailed community plan (CP). Each CP will need to show how it will support and implement the policies in the LDP. It will therefore need to show how development within its area will be sustainable.

3.3.3 Local authorities and communities will create their own procedures for consultation that are best suitable to local circumstances. Local councillors, parish and town councils where they exist and local groups and organisations will be welcome to take the lead in working up proposals to be included in a CP.

3.3.4 Some organisations have a statutory right to be consulted on local plans and we will retain that right and extend it to consultation on CPs as well. Liberal Democrat led Liverpool City Council has already introduced radical forms of community involvement in decision making. We envisage many local councils heading down a similar route. For example, in redevelopment areas in Liverpool we have placed meaningful community involvement as the first and major priority. Rather than sit in the Town Hall we have allowed the community to develop their own ideas and have supported them through the process. Most striking of the proposals are in Norris Green and in the Dingle where the Council have established the

Country's first Housing Regeneration Company on the lines of those proposed by the Rogers Report in 1999.

3.3.5 It is important that the community should feel ownership over its CP. Obviously a CP cannot be produced in isolation so the local authority will produce a broad remit for each community based on its identified needs. The local authority will then make a judgement as to whether or not the CP is within the remit set for it. If it is, the CP will be adopted and incorporated in the LDP as the section dealing with the land use of that community. Prior to the adoption of the CP, a petition signed by 10% of the residents of the community will trigger a local referendum on the CP. A 'no' vote will result in the CP being rejected with the process of writing it starting again.

3.3.6 A community will be much more focused on what is happening in its own area. This will assist with the process of keeping a CP up to date. As with the LDP, the review and updating process will be carried out on an on going basis.

## **3.4 Empowering Individuals**

3.4.1 While CPs should mark an important step forward for engaging local communities in planning the future of their areas, much more needs to be done on engagement, than simply providing an option for a new community level plan.

3.4.2 Real community engagement can be very difficult and normally only occurs at present when an area is perceived to be threatened by a new planning application. Positive, pre-

application engagement can be more difficult to foster.

3.4.3 The first, pre-requisite for empowering individuals and communities must be information and advice. This must be easy to find and freely available.

3.4.4 We will therefore make it a requirement for all local development plans, regional spatial strategies and federal policies to be available on the Internet. Drafts of plans will also be made available via the internet as well. Copies of plans and drafts will also be available in hard copy in local libraries.

3.4.5 We will also make it a requirement to put information on individual planning applications onto the planning authority's website. Information will also be provided on how members of the public can comment on an individual application. Best practice should be developed and spread, so that any information that could be relevant to a local planning issue is on the web and can be accessed at local libraries.

3.4.6 Advice is also key to empowering citizens and community groups on planning so they can more easily understand the information provided, especially as some will inevitably be technical.

3.4.7 Such advice is also critical in helping "level the playing field" between the individual citizen and local communities when they are faced with a planning application by experienced and well-financed developers.

3.4.8 We would therefore consider what existing bodies could be developed to provide a local independent advisory function for planning issues. We particularly believe there may be a role for regional assemblies to pump prime web-based planning advice bureaux. These could develop the e-links that have already mushroomed between local groups across the country, who are increasingly pooling their experience and advice. Planning departments, their websites, libraries and the Citizens Advice Bureaux network could then help promote awareness of such organised web-based support.

3.4.9 We also believe that in larger planning applications, developers could have a positive contribution to make in improving community involvement.

3.4.10 On large applications we would consider making it a requirement that the developer must consult with local residents and interested groups before an application is submitted. The application will need to show details of how the consultation was conducted

3.4.11 Beyond these proposals on information, advice and pre-application consultation, we do not intend prescribing the form community involvement should take. Consultation and community involvement needs to be appropriate for local circumstances. A "one size fits all" approach to public involvement will not work.

# ***A New System for Planning Appeals***

## **4.1 The Problem of Over-Centralised Appeal Systems**

4.1.1 Under the present system, the Secretary of State can interfere with any local planning decision and takes the final decision on an application if there is an appeal. Yet the same person is also responsible for laying down overall planning rules. In effect, one person imposes the rules and takes the final decision to implementing them at a local level.

4.1.2 Such an overcentralised system adds to the incentive to appeal. Yet there is a need to cut down on the overall number of appeals so that the planning system can run more smoothly.

## **4.2 A New Approach to Appeals**

4.2.1 Liberal Democrats will introduce a root and branch reform of the appeals process. The ability of the Secretary of State to interfere in the local planning process will be ended completely.

4.2.2 Instead, the system will work as follows. The local authority in accordance with the LDP and the appropriate CP, will take planning decisions. Appeals will go to an independent planning adjudicator, based in each region.

## **4.3 Reducing appeals**

4.3.1 However, the key to a better appeals system is to try to reduce the number of appeals in the first place.

4.3.2 A major improvement would certainly come from increasing the number of staff within planning departments. Poor decisions, which are then appealed, or appeals for non-determination, arise primarily because of, overstretch within departments.

4.3.3 However, appeals could also be reduced through a pre-application consultation and mediation process. This would give the opportunity for an applicant, local authority and interested third parties to discuss an application before it is formally submitted so that differences can be addressed beforehand.

4.3.4 Councillors will be expected to take a leading role in bringing such people together. Such talks will not be deemed to have prejudiced their taking part in the process leading up to taking the decisions on the application when it comes before the planning authority.

4.3.5 Use of this pre-application process will, with the exception of larger planning applications, not be compulsory but it will help to cut down on confrontation and lead to fewer appeals.

## **4.4 Improved Consultation**

4.4.1 Another key way of reducing appeals and improving the quality of original decisions is to ensure a higher standard of consultation. All affected residents will be notified of applications. If objections are received by the Planning Authority which cannot be satisfied by negotiation, the planning committee of the authority will consider the application.

Applicants and representatives of the objectors will have the statutory right to put their cases to the committee though their cases must be based on the LDP and CP.

4.4.2 Members of a Planning Committee may also engage in pre-hearing discussions with both applicants and opponents. Such discussions may be minuted by a Planning Officer. Members of the Planning Committee who engage in such discussions shall declare them at the meeting at which the application is considered. If minutes are taken, they will be circulated in advance of the planning meeting. Members who have taken part in such discussions will not be barred from taking part in the decision on the application.

## **4.5 Planning Appeals By Region**

4.5.1 Planning appeals must be made more independent of political or centralising interference.

4.5.2 Under our proposals, when an appeal is made, it will be heard by an adjudicator appointed by an independent regional planning appeals body. An applicant whose application is rejected by a planning authority shall have the right to appeal to an Adjudicator who will consider whether the application is consistent with the

LDP and CP. The Adjudicator will be entitled to hear evidence from both the planning authority and the applicant.

4.5.3 The Adjudicator will then take a decision as to whether or not to uphold the appeal. The matter will not be referred to the Secretary of State with a recommendation, as currently happens. The role of central government on local planning matters will therefore be ended.

## **4.6 Third Party Rights of Appeal**

4.6.1 If an application has been approved by a planning authority, objectors currently have no right to appeal to any planning appeals system. Liberal Democrats believe that in certain limited circumstances it would be appropriate to introduce such a right of appeal.

4.6.2 A third party who presented a case against the approval of an application to a planning authority's development control committee (or equivalent) will have the right to apply for leave to appeal against the approval of that application. The leave to appeal will be heard by an adjudicator appointed by an independent regional planning appeals body. Leave to appeal would normally only be granted if the third party could show that the application fell outside the LDP, or that relevant planning law had not been considered by the planning authority or that due process had not been followed.

4.6.3 We recognise that granting wider third party rights to appeal would either result in a large increase in appeals or would prove counter-productive as applicants would anticipate such appeals and appeal themselves on non-determination.

4.6.4 Therefore, to prevent that and to avoid vexatious third party appeals, e.g., in neighbour disputes, we would prevent a third party that had failed to oppose actively the application when it was considered by the authority from having any such rights. Moreover, the application for leave to appeal to the Planning Adjudicator must be made within three weeks of the granting of permission. If, at the end of three weeks, such an application has not been lodged, permission will be deemed to have been fully granted.

4.6.5 Appeals against the granting of permission for large developments involving the construction of new buildings, as opposed to simply extending existing ones, will be permitted from the wider community as long as the individuals involved have demonstrated their opposition during the process leading up to the approval decision. Statutory consultees will not be regarded as third parties in terms of planning application appeals.

## **4.7 Calling In and Referring Applications Up**

4.7.1 Liberal Democrats believe the power of the Secretary of State to call in local plans should be abolished.

4.7.2 Under our system, a region and local authorities within its area will work in partnership so that confrontation between the different levels is reduced. The region however will need a reserve power to call in a LDP when it clearly conflicts with regional strategies. We expect this power to be exercised only on rare occasions.

4.7.3 The decision to call in a plan will be taken by the Regional Assembly as a whole. A public inquiry would then be held at which both sides will be able to put their case. Other interest groups will be able to present evidence at the inquiry. The purpose of the inquiry is to decide whether the LDP fits within the regional spatial strategy and will be conducted by the Planning Appeals System. At the end of the inquiry process, the Planning Adjudicator who chaired the inquiry will take the decision on whether or not the LDP is consistent with the regional strategy.

4.7.4 Liberal Democrats would encourage and enable all planning authorities to work together to create frameworks for development at the Sub-Regional level. This will allow for better integration of LDPs.

4.7.5 In certain circumstances, it is right that an application is referred to the Region. While this is different from a formal appeals process, it can be significant, especially when applications clearly fall outside the local plan or when the council is acting as judge and jury in its own application.

4.7.6 When an authority receives an application that clearly deviates from the LDP and CP but nevertheless wishes to grant approval, the matter shall be referred to the elected region or the voluntary regional assembly. This power shall be used only in rare circumstances and only for major applications, for example changing the use of land designated for commercial purposes for housing instead. Opponents will have the right to make objections to the tier that will consider the application.

4.7.7 A local authority which is also a Planning Authority is currently entitled to grant itself planning permission for its own applications. This is in effect a power to be one's own jury at one's own trial. This is not within the spirit of the planning system Liberal Democrats want to introduce.

4.7.8 We shall end the right of such authorities to grant themselves planning permission. Instead, such

applications shall be considered instead by the elected regional chamber or, where this does not exist, by the voluntary Chamber in consultation with the RDA and shall decide the application entirely on the basis of the LDP and CP.

4.7.9 Each such authority, however, shall have the right of appeal to the Planning Appeals System.

# *Meeting the Housing Challenge*

5.0.1 In recent years, central government has devoted considerable energy to trying to decide how many new houses should be built and where. We believe that this debate is not only taking place at entirely the wrong level but is distracting decision-makers from the key issues.

5.0.2 We are convinced that decisions about how many houses are needed should be taken from the bottom up, not imposed from the top down. And we believe that the key issues are not the numbers needed in the next fifteen years but the failure of the system to meet the needs of people who cannot afford to buy (and that includes not just the poor but, in parts of the country, many key workers such as nurses and teachers) or to deliver homes that are either sustainable or well-designed. There is a role for the UK government in producing forward projections of housing numbers across the country. These however will be made available to inform local and regional decisions. They should not be used by central government to dictate policy on the ground.

5.0.3 There is no free market in new housing. Development land in many parts of the country is scarce and expensive. The reliance on speculative building removes the individual customer from having any real influence on the home he or she eventually buys, as well as discouraging innovation or any step-

change in design. The provision of housing for those who cannot afford to buy is haphazard and meets only a small part of the need. The current planning system too often seems to focus on meeting the needs of the development industry rather than those of people.

5.0.4 We propose to:

- a) assess the need for new housing and analysing the type of tenure, size, location etc through the community planning process. This process should be transparent by clearly accounting for all needs, including those of people wishing to move into the area for whatever reason. The LDP should then be reviewed to allocate the land necessary to meet these needs for the next five years: this review should normally simply entail releasing land already indicated in the Plan as being available for development if required.
- b) encourage a less speculative approach to development by providing design briefs for all substantial sites that is sufficiently specific - including tenure - to ensure that the needs identified in the CP for that locality are met. This should also encourage different forms of development partnerships, not least between developers and housing associations.

- c) remove the barriers to development by new kinds of organisations, including co-operatives, community trusts and self-build groups.
- d) Where no satisfactory alternative is available, to allow local authorities to borrow money on the open market so that they can act as the lead developer.
- e) insist that all substantial developments include a proportion of serviced plots for sale to people wishing to build for their own occupation.
- f) encourage innovation by removing design controls from some selected substantial sites where a professionally qualified planning and architecture team is used, subject to the basic design brief being met.
- g) ensuring that new homes are designed so that they can be adapted easily for use by people with disabilities.

5.0.5 Finally, we will resist the development of community open spaces - playing fields, parks, allotments etc. We recognise that green open spaces are essential if urban living is to be made as attractive as moving to the countryside. In this context, we believe that far more innovation is needed in designing high density communities that combine a sense of community with privacy and include attractive open spaces without wasting land. We would consider reducing or removing detailed planning controls in a few carefully selected areas in response to new ideas for development on these lines.

## 5.1 Using Brownfield Sites

5.1.1 A local authority shall keep a register of brownfield sites including empty property within its area as part of the LDP. Where possible, there will be an assessment of the decontamination and other issues needing resolution before the land is reused, including recommendations as to where the costs of decontamination will fall.

5.1.2 In producing community plans, there will be a presumption in favour of brownfield before greenfield sites for development.

5.1.3 A community, in producing its plan, shall formulate proposals for the future use of any such sites within its area. There will be a presumption that previously developed land will be reused before the use of greenfield sites for development. We believe, however, that setting central government targets for percentage of development on brownfield sites is absurd as the availability varies widely from one area to another. We will therefore scrap national targets.

5.1.4 It is recognised however that not all brownfield sites are appropriate for reuse for housing, commercial use and so on. For example, a derelict pit area distant from any settlements may not be sensible for a new housing estate or business units. In such circumstances, the restoration of the land to a more natural landscape or some form of parkland would be appropriate. Communities will therefore be encouraged to consider land restoration as a possible use for brownfield sites within their CP.

5.1.5 Bringing brownfield sites back into use for housing will require partnerships between the region, the



local planning authority and the community. The region will be able to raise funds for brownfield regeneration through a greenfield levy (see Tax Plan Chapter). The region will also take control of regeneration funding from the government. Once a community and local authority have worked up proposals for the redevelopment of a brownfield site, the region will be entitled to provide the funding necessary for work to proceed on cleaning the site. Brownfield regeneration will therefore be coordinated across a region so that areas of specific shortages can be addressed more directly.

5.1.6 A number of financial incentives will be available to regional and local government to encourage brownfield regeneration for housing. Relief from site value rating would be permitted by agreement with both the local authority and the region which is gradually phased out over an agreed timescale. During that time the developer will be required to clean the site of contamination and make it ready for house building.

5.1.7 For heavily contaminated sites near areas of high demand for housing, the region will be entitled as part of its spatial strategy and in consultation with relevant local authorities, to declare Special Planning Zones. The Zone board will be made up of representatives of the region, local authority and residents of the community in which the zone falls. The latter, who will be in the majority, will be directly elected and must live within the community. The zone will be entitled to additional funding from the region. Additional relief from taxation will be allowed in the zone for the developer. The community plan will specify the type and tenure of housing though some land will be available for local co-operatives and self build groups.

(For further details on Liberal Democrat policy on brownfield development, see Federal Policy Paper *37 Engaging Communities*.)

# ***Local Decisions on Use Class and Permitted Development***

6.0.1 Centralised control stifles the ability of communities and local authorities to deal with local concerns and worries. It hampers the ability of local people to build on the strengths of their areas.

## **6.1 Permitted Development**

6.1.1 The General Development Order specifies which types of development are “permitted” without applying for planning permission. These tend to be minor in nature and include alterations to residential buildings. A national regime is set by the government and is applied by local authorities.

6.1.2 If permitted development were ended, the development control system would become clogged up with a huge number of very minor applications. The straightjacket of nationally imposed General Development Orders however can sometimes hamper endeavours to create genuine local solutions to local problems.

6.1.3 Liberal Democrats will let local authorities to set their own permitted development orders. These will be included in the local plan so that they are explicitly laid out for any individual or developer to study who wishes to develop land or existing buildings.

6.1.4 Circumstances may vary within a local authority and therefore variation in permitted development to suit the different needs shall be allowed. A local plan however must therefore be clear as to which parts of the authority area particular variations apply.

6.1.5 It is accepted that no planning authority can operate entirely in isolation. Examples of good practice and advice must be available. Where appropriate, UK and regional government shall be entitled to set out guidance to which a council can refer when considering the setting of local permitted development orders.

6.1.6 Many former statutory bodies that are now privatised utilities, such as water, electricity, gas and telephone companies, continue to enjoy the privilege of exercising development rights that are not available to other private firms. This is an unreasonably favoured position. We would therefore remove such development rights thus putting them on a similar level to that of other businesses.

## **6.2 28 Day Rule**

6.2.1 The “28 day rule” allows a temporary change of use of land or property for up to 28 days in a year under permitted development rights.

This prevents planning authorities from being flooded with applications for short-term changes such as using a field for an annual fete or agricultural show. However, this rule is open to abuse due to the cost to the local authority of monitoring use throughout the year and the low level of fines available for offenders. A common abuse is to move a campsite or a car boot sale from field to field on the same property so that it is effectively open all year without any planning controls such as mitigating the nuisance to neighbours.

6.2.2 Under the Liberal Democrats the 28 days temporary use rule will continue. A local authority however will be given powers to apply the 28 day rule to a wider geographic area to prevent activity taking place for longer periods without planning permission by moving to a neighbouring site. Where the use continues beyond 28 days without planning permission, fines should be in excess of any financial gain the occupant makes. The local authority should also have discretion to consider suspension of the rule if it feels a short extension is appropriate e.g. for a specified local festival.

### **6.3 Use Class Orders**

6.3.1 Where a building is used for a particular purpose, use class orders allow for a different use without the need to apply for planning permission. The change of use is normally minor or uncontroversial. In some circumstances a contentious use, such as a hot food takeaway, can be used for a less contentious one, such as a hairdresser.

6.3.2 Use class orders are set nationally and, as with permitted development orders, are applied by

planning authorities. In recent years, new developments in both urban and rural areas have impacted on the quality of life in ways that have sometimes not been beneficial. For example, the re-use of redundant town centre buildings by pub chains have had welcome results in terms of regenerating an area and bringing employment as well as leisure outlets for local people.

6.3.3 In some town centres, however, the trend towards such use has gone too far with the result that other businesses are driven out as customers move away, the whole nature of the area is changed in a way that can damage its long term image and heavy demands are placed on the police. The use class system has prevented local authorities from putting the brakes where appropriate on excessive concentrations of the same type of use in some urban centres.

## **6.4 Local Amenities**

6.4.1 Use class orders have also restricted the ability of local authorities to protect local amenities. One such example can be found with the D2 leisure class use. This allows small, local cinemas to be converted to other leisure uses and has resulted in the loss of many small cinemas. Often the only available cinema is a multiplex some distance away. Loss of such facilities affects the quality of life of residents. It hampers the ability of local councils to address matters of social justice and accessibility.

6.4.2 Liberal Democrats will allow local planning authorities to set their own use class orders within the nationally agreed use class framework. As with the permitted development orders, they must be included in the local plan. By giving local authorities

the right to set their own, communities will have a much greater ability to address local problems of over development for the same use in concentrated areas. It will also enable community plans to be more explicit in the uses to which particular areas can be put.

## **6.5 Restrictive Covenants**

6.5.1 Some buildings and land have restrictive covenants on them that were imposed by previous owners. Some relate to matters such as banning the use of the building for the supply of alcohol. Others restrict the types of building that can go onto land. Many

such covenants were established decades ago and often reflect the concerns, views, needs and prejudices of an earlier age.

6.5.2 There should be a mechanism to reform or remove restrictive covenants especially where they act in restraint of trade. Liberal Democrats would allow those wishing to remove a restrictive covenant to apply for permission to do so from the planning authority. The decision, as with all other planning decisions, shall be taken with regard to the local and community plans.

# ***Planning for Sustainability***

7.0.1 The planning system should be a key tool in ensuring our activities are sustainable. We need to ensure that our environment is protected so that it is available for future generations to enjoy as well. The economic and planning decisions we take will have consequences many years into the future for the generations that will follow us.

## **7.1 Long Term Impact**

7.1.1 There is a duty on us therefore to consider the long-term impact of our activities. We need to move to a sustainable economy in which we avoid passing on the costs of our decisions to future generations. Development must take place in a framework that reduces the damage our activities cause and cuts pollution, makes better use of finite resources and addresses our responsibility to tackle global warming. Instead of an impoverished planet, we should aim to leave our descendants an environment that is at least as diverse as it is now with human activities in harmony with the planet. Liberal Democrats will build a planning system that will deliver that.

## **7.2 Coordination**

7.2.1 At the regional level, the creation of spatial development plans will allow for a more co-ordinated approach to providing different service functions. For example, in assigning

land for housing development, the region will also be able to integrate the proposals with the need to provide good public transport links. Liberal Democrats will make it a requirement that regional spatial plans must include proposals for reducing the need to travel to work and to access services such as libraries, parks and shops, although local authorities will be free to decide which measures to take.

## **7.3 Achieving Environmental Goals**

7.3.1 The Liberal Democrats do not normally subscribe to the philosophy of target setting by central government. Yet there are national and international responsibilities where the government should be setting out its aims. Pollution and global warming knows no boundaries. An area that produces little in the form of greenhouse gases will suffer just as much as those that do little to reduce their output. It is reasonable therefore that the federal government should set out national targets for cutting pollution and greenhouse gas emissions so that internationally agreed targets can be reached. Regions will set their own targets taking cognisance of this federal framework.

7.3.2 Liberal Democrats have recognised the need to meet international obligations on greenhouse gas emissions and have set a target of a 50% reduction by the year 2040 (see

federal policy paper *Strategy for Sustainability*). It will be a responsibility of each region to include its targets for achieving pollution and greenhouse gas reduction within its spatial plan proposals. These targets will feed through to LDPs produced within the region. These too will need to include policies on how the local authority will contribute to meeting the regional and national targets. Community plans, which govern the specific land uses within the areas they cover, will be required to address the policies outlined in the LDP. A community will therefore have to demonstrate how its land use proposals will help achieve environmental targets. Each planning application will be judged against the policies of the local plan and the land use proposals of the CP.

7.3.3 Crucial to developing a sustainable low-carbon economy is switching to renewable energy sources. We would encourage the setting up of indicative planning zones for renewable energy developments within regional spatial strategies where there would be a presumption in favour of appropriate technologies, and which would help to avoid the waste and delay caused by the large number of failed applications currently put forward on unsuitable sites. The current Energy Policy Working Group will report in more detail on energy and planning in their Policy Paper scheduled for the Autumn Conference.

## **7.4 Biodiversity**

7.4.1 Maintaining biodiversity is essential for the future of the environment. The planning system should play a major role in ensuring the diversity of species of plants and animals are protected. A biodiversity plan should therefore be produced as

part of the regional spatial strategy. It will, with the support of local authorities, identify and co-ordinate wildlife corridors and will also be able to assign land for use as woodland, meadow, parkland and so on in the context of an overall development. The spatial strategy will identify all sites of special scientific interest, areas of outstanding natural beauty and other areas regarded by the region of value in terms of landscape value, historical importance or wildlife diversity. The region will develop a strategy with local councils and, where appropriate, national parks authorities, to maintain and enhance these sites.

7.4.2 Local authorities will be partners with the regions in delivering sustainable development. Local plans will need to be integrated with other local strategies so that the provision of services is as close to people as possible. This will cut down on the need to travel. Local authorities will have a duty placed on them of ensuring their local plans lead to sustainable development. As planning applications will be expected to be consistent with the local plan to be approved, they will therefore have to demonstrate they can fit in with the sustainability aims of the same plan. An application can therefore be rejected if it is likely to lead to unsustainable development though there will be right of appeal. Likewise, the granting of permission to an unsustainable development could, under our proposals, lead to a third party appeal.

7.4.3 Gardens, allotments and such features as small coppices within communities usually feature far greater biodiversity than farmland and should be encouraged. A planning authority may require developers to incorporate

wildlife corridors linking habitats within new developments.

7.4.4 Planning applicants will need to show how their proposals are sustainable or to demonstrate which actions they would undertake to compensate for particular environmental loss through carrying out schemes that benefit the environment. For example, the loss of trees or hedgerows to development could mean the developer providing land and planting trees elsewhere to make good the loss. The planning authority will have the power to include such requirements as part of the conditions of granting approval.

7.4.5 An LDP shall also include a statement of the authority's biodiversity policies. A planning application will need to include details of the biodiversity of the site and where appropriate how it will be protected and enhanced.

## **7.5 Community Benefits**

7.5.1 As part of the conditions for granting planning permission for a new development, a planning authority may require developers to contribute to public transport costs where the site is poorly served. There is also a clear need to better design estates so that traffic calming - preferably on the shared space principle that combines access needs with other outdoor community space needs - is built in from the start. For major commercial developments - hospitals, airports, offices etc - we will require environmentally sensitive transport plans with enforceable targets to be submitted as part of the development control process.

7.5.2 Policies for ensuring streets are safer in residential areas will also form

part of the LDP. The planning authority will therefore be able to require traffic calming to be incorporated into new developments.

7.5.3 There is currently an assumption that with the increase in the number of people living alone, people need smaller homes. This ignores the possibility that this trend may not continue and that home working may require larger houses. The planning system needs flexibility to take this into account.

7.5.4 This leads us to believe that greater diversity and experimentation is needed in estate and building design to make communities more resilient to future changes. This must also mean leaving enough land within communities available for development or redevelopment to meet new needs.

## **7.6 Designing for Sustainability**

7.6.1 CPs will be able to contain land use schemes that contribute to reaching targets on greenhouse gas emissions. Such schemes will also include those that involve soaking up carbon dioxide. For example, a community may wish to designate a particular site for use as new woodland. This land use would be incorporated into the community plan. Overall, a local plan will integrate all the community plans together. The planning authority could then specify that a successful planning applicant shall provide support for tree planting based on a calculation of the quantity of carbon dioxide that will be produced in carrying out the development. The support is likely to be in the form of grants to organisations such as woodland trusts. This is a form of polluter-pays taxation but any moneys raised will be

ploughed back directly into environmentally friendly schemes that directly tackle environmental degradation.

7.6.2 In calculating the impact of a development on greenhouse gas emissions, consideration will also need to be given to the long-term impact of the activities on the environment. A new building that incorporates energy and resource saving systems into its structure will have less impact in the long term. There will be less of a requirement therefore to compensate for environmental damage and therefore the calculation of the amount a developer will be required to pay will be less.

7.6.3 Furthermore, a building that is converted from one use to another can sometimes take up fewer resources than a completely new building. This will be taken into account in calculating the cost of environmental consequences.

7.6.4 Sustainability must be taken into account in all building designs. New constructions must be built to last and therefore consideration needs to be given to possible changes of use in the future. Most changes of use will be unforeseen when planning and constructing a new building. However, there should be a requirement for the architects to design buildings that allow for an easier future conversion with a minimum of resources. Currently building regulations are used to specify standards for matters such as energy insulation.

7.6.5 Liberal Democrats recognise the need to set some minimum standards for building regulations but will allow local planning authorities the right to increase the standards

above the minimum when granting planning permission.

7.6.6 Where planning permission is required for the conversion of an older building to newer uses, the planning authority will be able to insist on the incorporation of sustainable energy and water use into the redesign.

## **7.7 Conserving our Inheritance**

7.7.1 Buildings and sites of historical interest are part of the nation's inheritance. Federal government should therefore continue to be responsible for the designation of listed status in England. Regional governments will be responsible for drawing up their own cultural strategies that shall be integrated with regional strategies for tourism, transport, economic development and land use. The preservation of historic sites and buildings will therefore be enhanced.

7.7.2 A region may designate sites and buildings not falling within the regime of listed structures as being of regional importance and assign them the same protection.

7.7.3 The local authority will be required to incorporate policies for the protection of historic sites within its local development plan. The policies will aim to be consistent with the regional strategy.

7.7.4 Local authorities will be entitled to designate conservation zones to protect the character of particular areas. All such zones will be included in a map that will be published as part of the LDP.

7.7.5 Many conservation bodies, such as English Heritage, currently



have a statutory right to be consulted when local plans are drawn up or when applications are considered. The government is currently proposing the watering down of these rights and a reduction in the number of statutory

consultees. Liberal Democrats will retain the right of conservation bodies to be consulted. They will, however, be expected to make a response within 30 working days of notification of plans.

# Tax Plans

8.0.1 Huge speculative gains have been made in the holding and selling of land. The value of land can be increased enormously by the investment a community puts into neighbouring infrastructure or buildings. For example, cleaning up a town centre and improving the transport links can make the area more attractive for businesses, thus pushing up the costs of commercial rents in the area. Owners of empty land in the same area will see the value of their holdings rise. The immediate community, having through its own council taxes, paid for the improvements, and having endured the work whilst it was undertaken, has created the increased value. Yet the landowner, having made no investment, makes a huge profit even though the community does not directly benefit from that profit.

## 8.1 Community Benefit

8.1.1 Liberal Democrats will introduce a system of land value taxation that will encourage the best use of land whilst ensuring the community has a share in the benefits of the increased value it has generated.

8.1.2 Currently, businesses contribute to the running costs of local services through the national non-domestic business rate (NNDR). This is set by national government and distributed to local authorities on a per capital basis.

8.1.3 Unused land in urban areas pays no NNDR despite its value benefiting from the activities and work

of the community around it. This means there is an incentive to the landowner to hold on to the land undeveloped for as long as prices are rising.

## 8.2 Land Value Taxation

8.2.1 Liberal Democrats believe that instead of central government setting the business rates through the Uniform Business Rate, local authorities should have control over the setting of rates in their own areas, subject to obligations of consultation with local business (see policy paper 30 *Reinventing Local Government* (1999)). Liberal Democrats have also consistently argued for the placing of business rates on a land value basis. We believe this is a fairer system than NNDR. The value of the land would be calculated as the total value of the premises minus the cost of rebuilding what is on the site. The community itself, through investment in facilities such as transport links, as well as through other activities, influences the market price of the site. The market price for the site and any building on it reflects the needs, demands and interest of the community. The community, in generating the market value, should benefit from it as well. Under land value taxation, it will. Liberal Democrats would therefore allow local authorities the option of levying non domestic rates on a site value rating basis.

8.2.2 Land value taxation will remove much of the incentive the owner has for holding on to the land unused in the hope of speculative gains in the price that can be achieved on its

future sale. This will help bring much unused urban land, currently in private ownership, into use again.

### **8.3 Incentives for Reusing Land**

8.3.1 The current system of taxation encourages development on greenfield sites. It is often cheaper for a developer to use virgin land than to reuse a brownfield site which could be polluted or contain dereliction which needs to be cleared away. New build carries no VAT whilst the conversion of existing buildings does. This is a ludicrous disincentive to the reuse of buildings. Greenfield sites therefore carry a number of advantages, especially in terms of house building: they are cheaper to build on; they carry no VAT; they are often in desirable locations. Brownfield sites often need money spending on them to bring them into use. This tax regime has contributed to the trend that has seen inner urban areas decline as people move out to suburbs and dormitory towns where they become dependent on the car to access facilities.

8.3.2 The Liberal Democrats firmly believe that allowing the countryside to be paved over in this way is unsustainable. Land in urban areas needs to be recycled for housing and people need to be attracted back in to live there thus relieving the pressure on green areas. The tax system can be used to encourage such a process. A greenfield development levy, set and raised by a local authority, but with a share going to the region as well, will address many of the problems caused by the current imbalanced tax system.

8.3.3 A developer using a greenfield site will therefore pay out a share of the enhanced value of the site brought about by the decision to allow building

to go ahead. Clearly there will be a need to make an assessment of the value of the land were it to remain in its original form. The local authority would set the greenfield development levy as a proportion of the difference. Part of the proceeds will go to the local authority for the benefit of the local community. The rest of the proceeds will go to the region and will be used for land reclamation schemes. The region shall be entitled to up to 50% of the levy.

8.3.4 The region, through its spatial strategy, and in co-operation with local authorities, will identify the greenfield land that will be permitted for development and the brownfield land that is designated for reuse. A region will therefore be able to implement its spatial strategy and also raise funds to be able to carry out the required reclamation work.

8.3.5 The current VAT system however provides no incentives for building conversion. Indeed, it does the opposite. New build carries no VAT. Building conversion carries VAT. This disincentive has added to the pressure to use greenfield sites and has contributed to the decline of many inner urban areas. Liberal Democrats will equalise the VAT regime for both new build and conversion.

### **8.4 Ensuring Communities Gain from Planning**

8.4.1 Liberal Democrats believe that the citizen and local communities should benefit from development. Planning gain is allowed under Section 106 agreements. This allows planning authorities to negotiate with developers for improvements to infrastructure and facilities such as roads, play areas or public buildings. It has also allowed the setting of conditions such as a

proportion of each housing development to be social housing. All these conditions may be funded either in kind or in cash.

8.4.2 Liberal Democrats believe that this is a valuable tool for local authorities to ensure improvements take place for use by local people, but there are concerns about the lack of predictability for potential future developers who may not know what may be expected of them. We want to ensure that local authorities still have the opportunity to negotiate on behalf of their communities but the basic principles on which the local authority wishes to negotiate are laid out in advance in the local plan.

## **8.5 Planning Gain**

8.5.1 The government is currently proposing the replacement of this form of planning gain with a system of tariffs. Under this proposal a series of fees would be set in advance for each square metre of development. The fees will vary for different types of development.

8.5.2 This approach seems superficially attractive. It appears that a developer will know in advance the costs required to be paid for planning gain. A local authority will know what income will be received if particular types of development go ahead.

8.5.3 Liberal Democrats however believe that the principle of tariffs does not address the issue of direct betterment of community facilities. Although we feel there is a role for them, tariffs will not bring all the gains to communities Liberal Democrats would like to see.

8.5.4 We would therefore free local authorities to determine their own policies on planning gain. These will be set out in broad terms in the LDP so that developers will have a clear indication as to what is expected of them. This would mean that local authorities would be able to set in advance either principles guiding planning gain or a series of tariffs or a mixture of the two, tailored to meet the needs of the local area. Local negotiations will then take place on the details.

8.5.5 This will help local authorities address specific local matters. For example, in some parts of the country where housing is expensive, a developer may be required to provide a certain proportion of low cost housing. In another part of the country, the problem may be the opposite. There a developer may be required to provide urban parkland or facilities such as a new library to attract people back into an area as a place to live.

# ***Community Leadership Versus Nolan***

9.0.1 Councillors are elected to be leaders within their communities. Now, however, many are finding themselves constrained in their role due to the rules introduced as a result of the Nolan Committee's recommendations.

9.0.2 This has had a significant impact on how councillors can behave in terms of planning applications. Residents often approach their locally elected representatives to ascertain their views on controversial planning applications in their area. Those councillors who are also members of the panel or committee that takes development control decisions are either unable to comment or risk losing their right to speak and vote when the application is considered. This can lead to confusion amongst electors who, having voted for people to be community leaders, find that once elected, they cannot fulfil the role expected of them.

9.0.3 Nevertheless, an applicant should be entitled to a fair hearing. Councillors directly involved in development control should consider all the issues involved and hear the views of all concerned before reaching a decision as to whether or not an application is consistent with the local plan and therefore entitled to be granted.

## **9.1 Political Implications of Planning**

9.1.1 It should be recognised that the production of a Local Plan can be a very political process. Politicians often play a significant role in campaigning for specific areas of land to be used for particular purposes. For example, Councillors may campaign for land to be used for housing rather than light industrial use.

9.1.2 Putting together a Local Plan is a very political process. This has to be recognised by the planning system. Councillors who campaigned for particular outcomes with regards to Local Plans should not therefore be regarded as having their discretion fettered by such activities.

## **9.2 Fettered Discretion**

9.2.1 A member of a council body that exercises development control powers is currently required to avoid making public statements on individual applications. In speaking to a developer or opponents, a councillor can be regarded as having fettered their discretion and can be prevented from taking part in the decision on the application.

9.2.2 A councillor who has expressed publicly a definite position on an application before the formal decision is made has clearly fettered his or her

discretion. In such circumstances, the member concerned should be entitled to put his or her views to the meeting but otherwise take no further part.

### **9.3 Informed Discussion**

9.3.1 Councillors should however be able to discuss applications with interested parties without prejudicing their right to be involved in the decision-making process. The more informed a councillor is on an application, the better the judgement will be as and when that person makes a decision on the application.

9.3.2 When such meetings are held, the member or where possible an officer, should minute the main points. All contacts with developers and opponents should be declared at the start of the meeting at which the application is decided and where possible, minutes should be circulated with the papers for the meeting. Councillors should also be permitted to take a lead in bringing different sides together.

9.3.3 Councillors are likely to have concerns about some applications and should be entitled to raise these with applicants, planning officers and third parties. Such informed debate should be part of the deliberative process. The Nolan rules however have often been interpreted as preventing any such debate from taking place.

9.3.4 Liberal Democrats would alter the current rules to allow such discussions to take place without limiting the role of a councillor to take part in the decision on the application.

### **9.4 Town and Parish Councillors**

9.4.1 Many Councillors on planning authorities are also members of parish or town councils. Nolan rules have led to great restrictions on such representatives. Those members who do sit on the planning authority can now be prevented from taking part in planning discussions on the parish and town councils.

9.4.2 Where a member of an authority's Planning Committee is a parish or town councillor, he or she should be entitled to take part in parish or town discussions on planning applications but not take part in the vote. This will assist in informing the debate that takes place. Liberal Democrats would also allow planning committee members to speak to parish and town councils generally on development control issues regardless of whether they are members of the town or parish council themselves. Such councillors will not express how they will vote on any individual application but will be expected to take back any concerns or issues to the meeting that will decide the fate of the application.

*This paper has been approved for debate by the Federal Conference by the Federal Policy Committee under the terms of Article 5.4 of the Federal Constitution. Within the policy-making procedure of the Liberal Democrats, the Federal Party determines the policy of the Party in those areas which might reasonably be expected to fall within the remit of the federal institutions in the context of a federal United Kingdom. The Party in England, the Scottish Liberal Democrats and the Welsh Liberal Democrats determine the policy of the Party on all other issues, except that any or all of them may confer this power upon the Federal Party in any specified area or areas. If approved by Conference, this paper will form the policy of the Federal Party, except in appropriate areas where any national party policy would take precedence.*

*Many of the policy papers published by the Liberal Democrats imply modifications to existing government public expenditure priorities. We recognise that it may not be possible to achieve all these proposals in the lifetime of one Parliament. We intend to publish a costings programme, setting out our priorities across all policy areas, closer to the next general election.*

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