



**Cynulliad Cenedlaethol Cymru  
The National Assembly for Wales**

**Y Pwyllgor Cynaliadwyedd  
The Sustainability Committee**

**Dydd Mercher, 30 Mehefin 2010  
Wednesday, 30 June 2010**

**Cynnwys**  
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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.  
In addition, an English translation of Welsh speeches is included.

**Aelodau'r pwyllgor yn bresennol**  
**Committee members in attendance**

Lorraine Barrett	Llafur Labour
Angela Burns	Ceidwadwyr Cymreig Welsh Conservatives
Michael German	Democratiaid Rhyddfrydol Cymru (Cadeirydd y Pwyllgor) Welsh Liberal Democrats (Committee Chair)
Rhodri Glyn Thomas	Plaid Cymru The Party of Wales
Joyce Watson	Llafur Labour
Brynle Williams	Ceidwadwyr Cymreig Welsh Conservatives
Leanne Wood	Plaid Cymru The Party of Wales

**Eraill yn bresennol**  
**Others in attendance**

Tim Gent	Cyfarwyddwr, GVA Grimley Director, GVA Grimley
Neil Harris	Cynghorydd Arbenigol Expert Adviser
Christina Hirst	Sefydliad Brenhinol y Syrfewyr Siartredig Royal Institution of Chartered Surveyors
Leighton Jenkins	CBI Cymru CBI Wales
Phil Johns	Sefydliad Brenhinol y Syrfewyr Siartredig Royal Institution of Chartered Surveyors
David Rosser	CBI Cymru CBI Wales

**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol**  
**National Assembly for Wales officials in attendance**

Dr Virginia Hawkins	Clerc Clerk
Meriel Singleton	Dirprwy Glerc Deputy Clerk

*Dechreuodd y cyfarfod am 9 a.m.*  
*The meeting began at 9 a.m.*

**Cyflwyniad, Ymddiheuriadau a Dirprwyon**  
**Introduction, Apologies and Substitutions**

[1] **Michael German:** Good morning, everyone, and welcome to this meeting of the Sustainability Committee. I will make some housekeeping arrangements to begin with. In the event of a fire alarm, please leave the room via the marked fire exits and follow the instructions of the ushers and staff. No test is forecast for today, so it will be a real one if there is an alarm. Please switch off all electronic devices such as BlackBerrys, Nintendos, Wii consoles and anything else that you may have, such as mobile phones—and I am following

my own instructions here—because they interfere with the broadcasting equipment and reduce the quality of the output. We operate through the medium of the English and Welsh languages, and you will find that channel 1 on your headsets is available to hear the interpretation and channel 0 is available to reinforce the sound. More importantly than anything else, please do not touch any buttons as that can disable the system, and then we will be in difficulty.

[2] I have received apologies from Karen Sinclair and Irene James. Lynne Neagle will be substituting for them, when she arrives.

9.02 a.m.

### **Ymchwiliad i Bolisiau Cynllunio: Casglu Tystiolaeth Inquiry into Planning: Evidence Session**

[3] **Michael German:** This is the third session of our inquiry, and we are focusing on how planning and economic regeneration work together. I remind our witnesses that the fundamental question that we are asking is how effective national and local planning policies are in helping to deliver key Welsh Government policies—in this case, in the context of economic regeneration. Does the planning system help or hinder what is happening?

[4] I welcome a frequent visitor to the National Assembly, David Rosser, as well as Leighton Jenkins from CBI Wales, and Christina Hirst and Phil Johns from the Royal Institution of Chartered Surveyors. As you are representing two different bodies, do any of you want to say anything at the beginning to amplify what you have already written, or shall we go straight into questions? It is entirely up to you.

[5] **Mr Rosser:** I am happy to go straight into questions.

[6] **Ms Hirst:** I am happy to go into questions.

[7] **Michael German:** Okay. I will start with the headline question. You have both been very strong in what you have said. To remind you, for the record, the RICS stated in its paper that

[8] ‘It is vital that planning decisions reflect economic, environmental and social implications and strike the right balance between them.’

[9] CBI said that the fundamental question was

[10] ‘whether the planning system is overburdened with...policy objectives which it is simply not designed to deliver upon.’

[11] That is a reverse way of asking the question that we are asking. The CBI goes on to say

[12] ‘it is legitimate to ask whether the planning system is the best placed regulatory regime to deliver them.’

[13] So, the first question is that fundamental one. Are our national and local planning policies effective at helping to deliver the Welsh Government’s priorities for sustainable economic development and regeneration? That is the headline question. I know that the CBI has particularly strong views on that. Who wants to go first? I suggest that you answer what you feel you want to answer, and you can indicate that to me by nodding or catching my eye so that I know who wants to speak. The same will happen with all questions, so carry on

where you think it is important. Do you want to start, David?

[14] **Mr Rosser:** I am happy to do so, chairman. I do not think that we have an effective planning system. That is partly down to the policies that are put in place at a national and local level and the intersection between them, and partly, and perhaps greatly, because of how those policies are implemented at a local level, largely by local planning authorities on the ground. The planning system has the potential to be a real enabler of economic growth in Wales if we get it right, but also a real barrier to economic growth activity if we get it wrong. At the moment, we are probably closer to getting it wrong than we are to getting it right. That is not a peculiarly Welsh problem, as the UK as a whole suffers from that. There is a real prize to be won if we can get it delivering better on the ground. In part, we need clearer and, perhaps, fewer policies, but largely we need to get policies working well in practice.

[15] **Michael German:** I will come back to that point in a moment. First, I will ask Christine or Phil whether they want to answer that question as well.

[16] **Mr Johns:** Overall, 'Planning Policy Wales', particularly the latest version, is quite a good document given the thrust and direction that it takes. Where it falls down is at the local level of the process. At the moment, we are finding that, although the local development plan system is good in principle, a lot of authorities are not even meeting the delivery agreements. We feel that, once a policy is in place, it should be adhered to. There have been too many problems too often in the past, and we can give examples if necessary, of adopted planning policy having been ignored by members. That is where we usually run into problems with the development process. In one particular instance, we were working with a client and we backed away from a site because we were looking at expenditure in excess of £600,000 merely to make a planning application. We knew that we were within policy, but, having seen other similar developments in similar areas take up to five years to get planning permission on appeal, we felt it that it was not worth investing that amount of money only to have to wait that long to get the development. So, we went to look for another site.

[17] **Michael German:** I will come back to David in a moment, but I wish to pursue the question of whether it is the planning policy that is at fault or the implementation of the policy.

[18] **Mr Johns:** It is the implementation. Members tend to succumb to pressure far too easily, I think. The planning policy is adopted if the proposal has officer-level recommendation and is in line with general policy. Members have a duty to say to their constituents that the policy has been adopted and that they are sticking with it, rather than putting their hands up and saying, 'No, we are going to follow the herd'.

[19] **Michael German:** In general terms, you are satisfied that the planning policy is designed to meet the objectives of economic regeneration.

[20] **Mr Johns:** Yes.

[21] **Ms Hirst:** The only thing that I would add to that, if I may, is the need to reinforce the strength of the local development plan, very much along the lines that Phil stated. It is very important that particularly members understand the importance of the policies that are set within that plan, and the need for them to make decisions consistent with those policies. At the moment, as many of us know from experience, that is not always the case, partly because of pressure that may be exerted on members in their capacity as elected representatives, as Phil said.

[22] **Michael German:** We will come back to capacity later. I will go back to David's point, and I know that Brynle wants to ask a supplementary question as well. I want to get a

feel for what he thinks. David, you said that the planning structure should be an ‘enabler’ of change. What would an ‘enabling’ system look like?

[23] **Mr Rosser:** It would probably have a greater degree of presumed consent, if that is the correct terminology, so that more developments did not have to go through the planning system and would be deemed to be acceptable. We should have a clearer statement of the role of economic development as a consideration in planning matters. At the moment, there are three pillars of sustainable development: economic, social and environmental. I do not think that there is any balance in the way that those three pillars are taken into account in planning decisions. We note the Assembly Government’s statement of intent to bring in some economic consideration. We would hope that that will have teeth and be a matter that can be referred to and relied on in considering planning systems. We would like a situation in which far fewer planning applications go to, and are won on, appeal; it strikes me that that should very much be the exception, but, for many of our members at the moment, the appeal is part of the normal planning process. That should not be the case.

[24] **Michael German:** I want to be certain in my mind on the balance between the three pillars. Is that something that you detect is lacking in planning policy terms, and is it again a question of implementation?

9.10 a.m.

[25] Policy is not being tracked through to the actual results on the ground from a planning application.

[26] **Mr Rosser:** I am not sure that the economic consideration is there in policy terms.

[27] **Michael German:** As you might expect, I would like you to be a bit more concrete than that, if you could.

[28] **Mr Rosser:** What do you mean? In what way?

[29] **Michael German:** You have just said that economic regeneration is not reflected sufficiently strongly in the planning policy of the Welsh Assembly Government. I would like you to tell us what you would see as a strong presumption or what you would like to see in favour of economic regeneration in the policy terms, which then drives the application process.

[30] **Mr Jenkins:** If you look at Scotland and England, you will see that they both have a planning policy statement that promotes economic development and facilitates economic development within the planning process. We are looking for the adoption of a similar robust planning policy statement in Wales. We hope that the recent planning review will deliver that. We will wait to see whether that happens when we begin the consultation with WAG in the next few weeks.

[31] **Michael German:** As you will know, one of the groups of witnesses that are coming in this morning includes the people who have done the work on the planning process for the Government. The Government has accepted their recommendation that there should be a policy statement on economic development. Do you think that that is likely to address this deficit?

[32] **Mr Jenkins:** It may, if it enables more weight to be given to economic development within the planning process, so that a developer can look to a policy statement and say, ‘This development is important. This scheme, sector, or growth in the sector is important’. That is what we are looking for in any new planning policy statement that is issued by the Assembly

Government.

[33] **Michael German:** Is it your point that in Scotland and England the weight that is given to economic development is much greater?

[34] **Mr Jenkins:** In England, yes. That is also the case in Scotland. We have not had one of these planning policy statements that promote economic development in Wales. Having one would be a start.

[35] **Michael German:** Thank you. Brynle wishes to ask a question.

[36] **Brynle Williams:** Good morning. You partially answered the question, Mr Johns, but what concerns me is that when we come right down onto the ground, do planning officers and more than officers—probably councillors, but I do not mean to be derogatory of anyone—have sufficient experience to be sitting on planning committees and so on? We have some very public spirited and minded councillors who probably do not have experience in planning, as I do not have experience in planning.

[37] **Mr Johns:** All that I can say is that it varies. In many cases, there is inadequate experience shown by members. They definitely need more support to understand the development process and the economic implications involved. More often than not, you come across local authorities where you have a very experienced chair of a planning committee, who can take a committee in a particular direction and who understands the process, who then gets replaced either because he or she wanted to resign, has had enough, or is moved to another committee and so on. The planning processes then take much longer because you have an inexperienced chair of the committee. It does vary. There is a need for training for members. It need not be a long process, just a simple explanation.

[38] **Ms Hirst:** If I may add to that, there are some issues to be addressed. You asked about officers and committee members. In the current environment where we are more moving into some very new fields of specialism—I am thinking particularly of renewable energy as being an excellent example—there is a deficit at both officer and member level in terms of understanding not perhaps the specifics of renewables, but the bigger picture in terms of the impact that that may have on climate change on a greater scale than just in relation to that single application. We need to resolve that if we are to be able to move forward on some of the applications that are being made. I am thinking, in particular, about renewables. The same may apply in other areas.

[39] **Michael German:** In this inquiry, we are trying not to focus on the sharp end, which was covered by the GVA Grimley report to the Minister, but to focus back a stage to see whether we have the policies in place that you would assume would drive the process sufficiently so that you would get the outcome that you desire. As we have just heard, we know that there will be an economic development policy statement, which has obviously been lacking thus far. What would you look for in that economic policy statement? What would be the priorities to ensure that at least the policy was driving the agenda for local authority decision making?

[40] **Mr Johns:** I have not yet completely read the latest version of ‘Planning Policy Wales’, PPW2, because it only came out a couple of weeks ago, but it seems to put the thrust in the right direction. It is in favour of encouraging economic development, and it is mopping up the flurry of additional directives in the previous ministerial interim planning policy statements, which were muddying the picture. So, it seems to be taking the thrust in the right direction, but it is then about enforcing that, to ensure that local authorities follow your lead. I am not sure where the carrot and the stick are to ensure that local authorities deliver on that particular desire expressed by the Assembly Government.

[41] **Michael German:** Do you want to add anything to that, David or Leighton?

[42] **Mr Jenkins:** No, we support most of what has been said. It is about local planning authorities recognising the need to take on board some of the well-intentioned comments within planning policy statements. There is a planning policy statement in England around indirect benefits to the economy, so if a local development has indirect benefit to macro-economic policy, then more weight should be given to that application within the planning process. We would welcome that in Wales as tangible progress on where we are at the moment.

[43] **Joyce Watson:** Good morning. In your opinion, are planning policies sufficiently clear and consistent to resolve potential conflicts between different priorities? I am talking about the policies, not the delivery.

[44] **Mr Johns:** At the risk of repeating myself, 'Planning Policy Wales' states that it intends to deliver a clear and consistent planning policy, but for us it breaks down at the next level. The local development plan process should be putting that in place, but because the LDP process is not progressing as quickly as we would all wish, there is still that disconnect.

[45] **Mr Rosser:** Our members tell us that they do not see any hierarchy within the various policies coming through that may, in some cases, conflict with each other. They find it hard to judge, going into an application, how different weight may be given to the various policies that are taken into consideration by a planning department and then by a planning committee. The business community tells me that it feels that there is a lack of transparency, certainty and clarity, and these are companies that use the planning system on a regular basis.

[46] **Mr Jenkins:** We would probably support what the Minister said in her statement this week regarding 25 variations of planning policy. To summarise, she said that we would not choose to start from here, but that we will move towards a more standardised process, which we would all welcome. How we get there is for you to decide.

[47] **Michael German:** I am fascinated by the weighting. David, you are calling for the weighting of policies, but how do you do that?

[48] **Mr Jenkins:** It is about material consideration when dealing with a planning application. If an economic planning statement from a Minister states that you should recognise the importance of low-carbon development, for example, then that is the Minister giving weight to something within a planning policy statement. That is how you encourage local authorities to prioritise those sorts of developments.

[49] **Michael German:** So, there is no scoring of one to 10, for example something being a four or a five or a one or two, because that would be too crude to process.

[50] **Mr Rosser:** You may develop a system that has different weights for different geographical areas. That is simplified planning. If economic development is deemed important in an area, and low-carbon renewables are deemed highly suitable, then there are different ways that you could go about it. Some consistency between local authorities would be much appreciated.

9.20 a.m.

[51] **Joyce Watson:** I have sat on planning authorities and have listened to weighting arguments, such as, 'According to the local development plan'—because I was in an area that had a local development plan—'this is the weighting that we decided that we would give to a



certain area'. You designate an area for a particular use, in a particular time and space. So, that is what the weighting really means. You may say, for example, 'We have said that this is going to be an industrial space and the industrial element is to drive economic development.' There is also presumed consent when those things are done well. However, I have also seen the whole thing fall down.

[52] So, given the Welsh Government's target to reduce carbon emissions by 3 per cent year-on-year from 2011, to what extent should changing economic markets influence the level of sustainability built into a project, in your opinion? There are currently changes in the economic markets in Wales and in Britain. So, to what extent should those changes influence sustainability that is built into a project?

[53] **Mr Jenkins:** I think that this is around zero-carbon homes. There is a recognition that we need to move with the market and in line with the robust technologies that are available and that enable a project to go forward, when it still stacks up economically for the developer to do so. We need to consider carefully how Wales deals with zero-carbon homes when the Assembly Government is likely to get power over building regulations in 2012.

[54] **Mr Rosser:** What the viability argument essentially comes down is quite simple: if a development is not commercially viable, it will not go ahead, whether or not it has planning permission. So, if permissions come through with conditions attached that make it at all unviable, it will not go ahead. It is quite simple then because it is a question of how much we want this development to happen and the fact that we need more houses built.

[55] **Ms Hirst:** It introduces an area that we raised in our paper about skills relating to the knowledge that planning officers have in terms of viability and their ability to understand the implication of some of the conditions that they may look to impose.

[56] **Mr Jenkins:** There was an example of that last year when, if an application had not been registered by 31 or 1 September, anything subsequent to that date had to adhere to code 3 for sustainable homes. There was a bit of a rush by developers to get projects in or to negotiate to acquire projects that had an existing use consent. The feedback from the major house builders is that on average, it will add, depending on the unit, between £3,000 and £6,000 to the build cost of that particular unit. When you then move on to code 4, you are moving into a wholly different ballpark and into the scenario where we are likely to have to look at off-site modular construction because it will be very difficult to achieve that using conventional construction techniques and conventional sub-contractors on site. You will not achieve that code so easily. You are asking a lot. It is something that is worth striving for, but it will be difficult and, under the timescales, you might need to give yourselves a bit more elbow room on that because it will constrain developers. If we move faster than on the other side of the bridge, the house builders will hold back on this side because they can turn over faster over there at less cost.

[57] **Mr Rosser:** We already have situations with members walking away from phase 2 of a site, having built out phase 1; there is something of a hiatus because of market conditions. Now that they are in phase 2, they are looking at the different policies and requirements being imposed on them and all of a sudden, a development becomes unviable and the value attached to the land, if they can afford to pay for the land, is such that the landowner will not sell and so you have schemes that could have been built out, which are starting to be walked away from. Clearly, that will be patchy in different parts of Wales, but those parts with the lower housing prices will suffer the most. Arguably, that is where we need the most regeneration to take place.

[58] **Joyce Watson:** If I understand you correctly, you are saying that two things are going on: the element of increased cost is one, and a deficit in skills is the other. The impact of local

builders not having those skills is that people with those skills have to be brought in from elsewhere to do the job. So, if I understand you correctly, we need to match the skills and understanding that we have, and put that in place before implementing the policy. Is that what you were saying?

[59] **Mr Johns:** That would be sensible, because, as I said, you are looking at developing a totally different construction technique to maintain the level that you wish to achieve.

[60] **Joyce Watson:** Moving on to consultation and involvement, how effectively are you involved in the process of making planning policy at national and local levels? You have given us some idea of the improvements that you would like to see, but are you involved?

[61] **Mr Johns:** We are consultees, basically. That is about it.

[62] **Mr Jenkins:** It is very technical. A consultation will be issued through the post, and that is not the case with other departments, where officials would call you up more informally, saying, 'There is an intention to go in this direction. It would be great to have your views', and we would continue that dialogue alongside the informal policy development process. In planning, that is not the case at all. You are very much at the end of the line, and that is a shame, because industry has a lot to add all along the line.

[63] **Michael German:** I warn you that I will come back to a point that you raised earlier about sticks and carrots. I will give you time to think about it, because I will come back to it when we talk about local planning authorities at the end. What carrots and sticks could be used to deliver policies at a local level? I do not want you to answer it now; I am just giving you warning of it, because you raised the issue, but I want to come back to it.

[64] **Rhodri Glyn Thomas:** Yr wyf am gyfeirio at ddwy agwedd o bolisi cynllunio. Y rhagdybiaeth yw mai cynllun gofodol Cymru a ddylai gynnig gorolwg dros gynllunio yng Nghymru. Yn eich tystiolaeth ysgrifenedig, mae'r ddau gorff yn cwstiyntu hynny. Mae'r sefydliad brenhinol yn codi cwstiwn am eglurdeb o ran pwrpas a chyfeiriad ac mae CBI Cymru yn dadlau y dylai fod rhagdybiaeth o blaid datblygu economaidd. A ydych yn credu bod cynllun gofodol Cymru yn cynnig unrhyw beth o ran creu economi cynaliadwy ac adfywio'r economi, yn arbennig mewn dyddiau pan ydym yn poeni ynglŷn â dyfodol economi Cymru?

**Rhodri Glyn Thomas:** I want to refer to two aspects of planning policy. The presumption is that it is the Wales spatial plan that should offer an overview of planning in Wales. In your written evidence, both organisations question that. The royal institute raises a question about clarity of purpose and direction and CBI Wales argues that there should be a presumption in favour of economic development. Do you think that the Wales spatial plan offers anything in terms of creating a sustainable economy and regenerating the economy, particularly during days when we are concerned about the future of the Welsh economy?

[65] **Mr Johns:** It is an iterative process. We have to give it time to develop within the planning process, because it is more of a directional document than anything else at present. Weight will be added to the spatial plan as it is referred to through the new LDP process and through 'Planning Policy Wales', as it is reviewed. At present, I do not see it having a dramatic effect on planning policy on the ground. It needs time to develop and perhaps to be reviewed as it goes along.

[66] **Mr Rosser:** We think that the theory of spatial planning, and planning in larger geographic areas than local authority areas, is sound. In fact, we are concerned that England is going backwards from that, but we do not see the spatial plan as having teeth at the moment. If the spatial plan had greater credibility and teeth, and perhaps if there were even different

planning bodies taking decisions on certain types of applications at a spatial level, we would start to have something that is really adding some value. At the moment, we live in hope probably more than expectation, but we have members who are sticking with it and are trying to keep on contributing.

9.30 a.m.

[67] **Rhodri Glyn Thomas:** So what you are arguing, David, is that we are going at it from the wrong direction, is that right? We are setting out the planning criteria and then trying to have the overview in spatial planning, whereas the overview should come first and set out the priorities for planning.

[68] **Mr Rosser:** They need to go hand in hand. What we are seeing at the moment is that authorities are getting together and talking about spatial planning, but they do not want to cede any powers and still want everything to be done in their local area. It is about the degree to which different authorities are prepared to come together and really work at a spatial area level; that is what members are starting to query in sitting through the process at the moment.

[69] **Mr Johns:** That is a particularly important point. If you look at local planning authority areas, they do not reflect the economic area. That is where, to support David's comments, the spatial plan needs to develop teeth, but I think that it will take time.

[70] **Mr Rosser:** We can envisage a situation where small, inherently local, applications are dealt with by a local authority, but economic development applications around business parks, employment-related applications, energy generation, and waste facilities, which, generally, are not local in their impact, should be dealt with by a different tier of authority and certainly looked at in a different, spatial context. That is where the spatial plan has the opportunity to add a lot of value, but it needs to have teeth, and, ultimately, it needs some kind of decision-making body that sits at a greater geographic level than an individual local authority currently does.

[71] **Rhodri Glyn Thomas:** To press you on this, what you are both saying, in a sense, is that the spatial plan could make a difference in terms of economic regeneration in Wales, is that right?

[72] **Mr Johns:** Yes.

[73] **Mr Rosser:** Regional planning through the spatial plan is the closest that we have got to that at the moment, and it could certainly do that.

[74] **Michael German:** We have had it since 2004, which is six years now. Do you think its impact has been very limited?

[75] **Mr Rosser:** Yes.

[76] **Mr Johns:** Yes. In our experience of planning, its impact has been very limited, and is very rarely referred to when you are dealing directly with a planning application.

[77] **Rhodri Glyn Thomas:** Going back to local planning and the technical advice notes, do you think that they reflect adequately the need to encourage economic development within local areas, or are they are a hindrance?

[78] **Mr Johns:** They are definitely not a hindrance; it is another matter that we have to deal with, but they are very useful in terms of giving guidance to the developer. I will not criticise them.

[79] **Mr Jenkins:** We support Scottish and Southern Energy's evidence earlier, which talked about the need to perhaps look at some of the TANs around windfarms on the margins. They are a useful tool, but we need to look at what they say. For example, TAN 22 on sustainable buildings came at an unhelpful time for the housing market and imposed additional burdens. The TAN approach is okay; it is just the policy behind them.

[80] **Rhodri Glyn Thomas:** TANs, by their very nature, are advice notes. Do you think that there is a danger that local authorities take far too prescriptive a view and use TANs to control applications rather than using them in such a way as to allow a certain amount of flexibility in relation to applications?

[81] **Mr Rosser:** I think that the experience of our members—they might say this, might they not?—is that they are used to try to deliver whatever the local authority wants with regard to that particular application. So, if they are looking for a reason to turn it down, the TAN can be used. So I think that it is highly variable.

[82] **Ms Hirst:** Generally, the feedback from our members has been very positive, that TANs lead to consistency in decisions. We have been very pleased to be involved in the consultations relating to TANs. Having the opportunity to influence those at the development level has been very welcome. So I do not think that we have any concerns.

[83] **Mr Johns:** I have not had any experience of them causing difficulties.

[84] **Brynle Williams:** What is the role of the Welsh Assembly Government's proposed new planning policy statement on economic development in helping to achieve more sustainable economic development and regeneration in Wales?

[85] **Mr Rosser:** We would hope that it would clarify the balance to be struck between those three pillars of sustainability. We hope that the proposed planning statement around economic development is taken as a matter for consideration in planning decisions, and certainly by planning inspectors at appeal, if necessary. We hope that it sets out very clearly to local authorities and local planning members that quality development is a good thing and to be welcomed and that Wales needs more development of the right type to take our economy forward. So it is both a message and a statement of intent and need, but also technically a matter for consideration that can be relied upon by applicants, officers, members and inspectors.

[86] **Mr Jenkins:** Hopefully, it should say that local authorities have a responsibility, rather than this just being an approach to developing the local economy. So, it would place a burden on them to develop planning constructively in relation to economic growth rather than just being guidance.

[87] **Brynle Williams:** How should the role of the economic renewal programme be reflected in the planning system?

[88] **Mr Rosser:** The CBI's contribution to the economic renewal programme consultation has very clearly focused on an all-Government response to growing the Welsh economy, not just a response from the department with responsibility for the economy. It is very much focused on creating a good, competitive business environment in Wales, and we see planning as a key plank of that. As we said earlier today, it can be an enabler if we get it right, but an inhibitor if we get it wrong. So, we very much hope and expect there to be a response from the planning department in the Assembly in light of the economic renewal programme, and we hope that the proposed strategy for economic development will go quite a long way to highlighting the role that the planning system has to play in growing our

economy in future.

[89] **Mr Jenkins:** However, we did not sit around the table doing a review and saying, ‘Okay we have £150 billion-worth of renewable energy projects that need to happen across the UK in the next 10 to 20 years. How does the planning system shape itself to meet those needs?’ We did not answer that question. The GVA Grimley review did not touch on that and that is why we are asking for a response from the planning department through the economic renewal programme, which will, hopefully, be a commitment to look at the planning system to ensure that it is fit for purpose to meet the challenges that are, in some regards, already with us. That would be nice.

[90] **Lorraine Barrett:** I am looking at local development plans. Both your papers are quite disparaging about local development plans. What is your experience of the LDP process to date? Has it caused any problems and what changes do you think are needed to encourage sustainable economic development and regeneration?

[91] **Mr Johns:** The problem that I have experienced with LDPs is that their delivery agreements are not being met. Quite how you overcome that, I do not know, but it has caused problems in terms of preparing clients for how they would market a site or get development underway. It needs to be looked at, and perhaps it comes back to the carrots and sticks that I was talking about earlier. How does the Assembly ensure that local authorities meet their delivery agreements. It is in agreement that they prepare, to their timetable, but then they fail to follow it. That is a general comment; I am not picking on anyone in particular.

9.40 a.m.

[92] **Lorraine Barrett:** Does this come back to the point about pressure on elected members? For example, the local development plan could say that 2,000 houses are to be built in an area, but then, when it comes down to it, 5,000 people sign a petition saying that they will not vote for the member if it is allowed to happen. However, those people have had an opportunity to contribute to the consultation.

[93] **Mr Johns:** The whole idea is that they contribute at that stage. Part of the problem is that the support that is given to the planning function varies from one local authority to another. In some authorities you will find that the head of planning is a second-tier officer, who is one tier below the chief executive. In others, they get dropped down to the fourth tier, which will cause problems with regard to motivation. Other matters relate to the numbers and quality of staff that each local authority has. It is not the case that there is only one cause.

[94] **Lorraine Barrett:** Do you think that there should be some encouragement—

[95] **Mr Johns:** There should be greater support for the planning function in a local authority.

[96] **Lorraine Barrett:** Does the CBI have a view on this?

[97] **Mr Rosser:** We would agree that the problem with local development plans is delivering them. Members who are regular users of the planning system are very concerned about the delays in getting them agreed. One house builder told us recently that one local authority has decided not to accept any applications until its LDP is formalised, which will take 12 months. That is not helpful. Largely, it comes down to the fact that, while it can agree that it needs 5,000 houses, it can never agree on where to put them.

[98] **Lorraine Barrett:** What are the implications for delivering Welsh Assembly Government priorities when there are delays and when out-of-date plans have to be used? Is

that holding up the Government's policies? Do you have any evidence of that?

[99] **Mr Johns:** I do not have any direct evidence of that, because the local authority can fall back on the unitary development plan or whatever planning policy it was using before. A developer should work within the adopted policies that are effective at that time, if he does not want to run into serious problems when making an application.

[100] **Michael German:** Before we go back to Rhodri, I will now put the question to you on the point that I raised earlier, namely what carrots and sticks could be used to deliver the policies at a local level?

[101] **Mr Johns:** In the Scottish system, if members make a decision that goes against officer-level recommendations, officers do not support them at the appeal; they have to give their own evidence.

[102] **Michael German:** That is a substantial stick—is there a carrot? You said 'carrot', so there must be one.

[103] **Mr Johns:** The local authorities will get the rate income from the development, whether in the form of business rates or domestic rates. It is a question of encouragement and of providing more training for them.

[104] **Michael German:** We will come back to the issue of capacity. Rhodri has the next question.

<p>[105] <b>Rhodri Glyn Thomas:</b> Mae'r ddau ohonoch wedi cyfeirio at broblemau sy'n codi o ran anghysondeb yn y ffordd y mae ceisiadau cynllunio'n cael eu trin yn lleol. Yr ydych wedi dweud bod y nodiadau cynghori technegol yn gallu bod yn gymorth er mwyn sicrhau cysondeb. Beth sydd ei angen er mwyn sicrhau bod penderfyniadau a wneir yn lleol yn adlewyrchu dealltwriaeth o bolisiau cenedlaethol a'r angen i'w cyflwyno?</p>	<p><b>Rhodri Glyn Thomas:</b> You have both mentioned problems that arise from inconsistencies in the way in which planning applications are dealt with on a local level. You have stated that the technical advice notes can be of assistance in ensuring consistency. What is needed to ensure that decisions that are taken on a local level reflect an understanding of national policies and the need to introduce them?</p>
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[106] **Mr Rosser:** We have talked about issues relating to local politics and the understanding of local members. Most companies that talk to me about the planning system are generally pretty supportive of the officers, but feel that it is the relationship between the officers and the members where things tend to break down. Better training for local members on how a planning system should work and the legalities of it might be helpful in achieving a greater degree of consistency.

[107] **Ms Hirst:** There are some areas where there may be a greater call for national guidance. Matters raised with us often relate, for example, to design and access statements. Different approaches are taken in different planning authority areas, and national guidance would lead to consistency in those areas. Similarly, with regard to renewables, the requirement relating to onsite generation could, again, be more consistent through national advice and guidance.

[108] **Mr Johns:** I agree with that. It is a question of their following 'Planning Policy Wales' and of appropriate weight being given to that document. As Christina said, on design and access statements, if it is deemed that the statement is not adequate, that can be used as a simple device not to register a planning application. So we need clarity on that so that you can at least get over the threshold and get your application registered if you have followed

everything else, but your access statement, in particular, is not deemed to have been done according to the criteria set down. There are examples of good practice and of bad practice, which were picked up in the GVA Grimley report. I think it is an encouragement for people to follow the guidance set out in planning policy nationally.

[109] **Mr Rosser:** I think that we are asking a lot of local planning committees and local planning members to understand the great range of applications that may come before them, some of which are highly complex and specialist, increasingly so as we go forward with new technologies and in the area of renewables. Perhaps some expertise could be lent to individual local authorities to deal with these or perhaps some decisions should even be taken out to be dealt with at a different tier, which is obviously more controversial.

[110] **Rhodri Glyn Thomas:** That is the point that you were leading to, is it not? Perhaps a different system is needed for dealing with commercial applications as opposed to normal residential applications. Can the system cope with those complicated applications that you are talking about?

[111] **Mr Johns:** There might be an argument to be made along those lines. The old system had a structure plan and a local plan. The structure plan gave a particular direction that had to be adhered to. Whether you could adopt a similar weight or legislative backing for 'Planning Policy Wales' to take it to a national level is something that may need to be considered.

[112] **Rhodri Glyn Thomas:** You have almost answered my second question, but is there anything else that needs to be done to adequately deal with applications of a commercial nature at a local level? You have suggested that a different structure may be needed. Does anything else need to be done to deal with those applications?

[113] **Mr Rosser:** We need to be aware of the law of unintended consequences here. Putting in place time limits for dealing with these, which has been tried elsewhere, can have the effect of getting a quicker 'no' rather than a slightly more considered 'yes'. So, there are some simplistic tools that you could use that might not actually achieve what we are all looking for, which is better quality decisions being made with greater consistency and clarity within a better time period. It comes down to capacity, attitude and expertise, and it is hard to legislate for some of those.

9.50 a.m.

[114] **Mr Johns:** It is, and, to an extent, there is a responsibility on the applicant to ensure that sufficient information is prepared when making a planning application. When you are doing a complicated application, the amount of pre-application and scoping work necessary is huge. Pre-application discussions with local authority officers are exceedingly useful in this respect. Spending 45 minutes to an hour and a half chatting to the case officer to find out what they need, and getting a scoping response from them as to what they would require, can speed up the process immensely, because the applicant can then ensure that he has everything covered when he submits the application. That will lead to a lot of up-front costs, but at least the applicant knows that he has covered all bases and has done all that he can do to ensure that as speedy a decision as possible can be made.

[115] **Rhodri Glyn Thomas:** Are those pre-meetings available throughout Wales, or do they happen only with certain local authorities?

[116] **Mr Johns:** They used to be quite difficult to get, but I now find that very few authorities refuse; I have not come across a refused request for a pre-application meeting for about 4 years, as they are time-saving measures for both sides.

[117] **Mr Rosser:** There is also the intersection between different bodies involved in a planning application process to consider. These bodies include the local authority, of course, but also some of the statutory consultees, such as the Countryside Council for Wales, the Environment Agency and Welsh Water. We hear that this intersection is a frequent source of delay and tension, and a better process for those different bodies, which are, generally, public bodies, to work together would be helpful.

[118] **Mr Johns:** To follow up on that, some local authorities will call the consultees in for pre-application discussions, and that is very good practice.

[119] **Brynle Williams:** I was pleased to hear your last comment, Mr Johns, but it does not always happen like that. When very detailed plans are put in, every base is covered, but do the planning authorities or the planning officers have the expertise to understand what is going on? As you say, applications are becoming more technical as we move forward. This is not meant as a derogatory comment about the planning officers, but I have heard of several examples in north Wales where the applicant is told in consultation to do a, b, x, y or z, and after six, eight or 10 months, the application is thrown out. The officers do not appear to understand what is going on. While this is going on, it is stifling economic growth in those areas.

[120] **Mr Johns:** That does happen; it varies across Wales, partly as a reflection of the levels of pay for planning officers in local authority employment. When times were good for development, many officers were tempted away to work in consultation in private practice—they were gamekeepers turned poachers, for want of a better way of putting it—because they could get better salaries; that took an awful lot of high-quality officers out of the planning system. We cannot get those officers back because of the restrictions on finance, and it has had an impact. There is a responsibility on the applicant at the pre-application discussions to ensure that the officers understand the application, and, if they do not, the applicant can point out the difficulties that the officers are likely to experience further down the road. It is then up to the officers to try to acquire the expertise that they need.

[121] **Michael German:** Do you want to ask a supplementary question on that matter, Joyce?

[122] **Joyce Watson:** Yes; I am not going to repeat the point, but it is the statutory consultees who will often decide on a development. If you do not have capacity in a sewerage or water system, then you are not going to build anything; it is as simple as that. On the question of what mechanisms could be used to ensure that planning policies are sensitive to the issues of development viability—that is what we are talking about—and what we could do to meet that challenge on a national policy level, do you have anything that you would like to add, particularly when we are talking about the statutory consultees who will play a major part in the process?

[123] **Mr Johns:** In my experience, major house-building developers will not pursue a site if the infrastructure is not adequate to support the development that they want to put on it, but they would bring pressure to try to put that infrastructure in place.

[124] If you are talking about major infrastructure, such as sewage connections and other big stuff, it will involve Welsh Water and huge up front requisition costs. It comes down to the viability of the development at the time. There are unlikely to be many housing developments in today's market that would support huge off-site infrastructure costs. It is difficult to say where you get the money from in the current economic cycle; the private sector does not have it because the returns are not there yet.

[125] **Michael German:** You are pretty much describing a vicious circle. You need



infrastructure for a development to take place. Community facilities come a bit later, often as part of the application process, so you might need a school, a medical centre and something else if it is a large-scale development. Currently, there is a negotiation; there are no lines drawn as to who should provide and who should not. If you are going in to see a local authority and you have big plans for a housing development, for example, do you clearly understand that it will be a tough negotiation, or is there a better way of doing it, in advance of applications for large-scale developments? The local development plan process might be a useful tool—or is it not?

[126] **Mr Johns:** I have had no direct experience of this since the property market downturn. The most recent case in my experience was the major sewer requisition to enable the studios to be built on the old Llanilid opencast mining site. At the time, there were sufficient funds available to contribute towards the huge off-site sewer that was required, but the company in question has subsequently gone into receivership, which may say something about the costs involved. Most of the major residential developments coming onstream did so before the market downturn. In south Wales, you are talking about Barry waterfront, Parkdale around Bridgend, Llanwern and Coed Darcy. There have been no major ones since then.

[127] **Michael German:** When there is a turnaround and life starts to improve, will we need a better way of dealing with this crucial issue? Under the current system, the developer pays, and the local authority or community pays. Alternatively, is the present regime of negotiation all right?

[128] **Mr Johns:** Negotiation is probably the best way forward because you cannot be too prescriptive. It will vary from site to site. Even now, depending on the size of the site, there may be sufficient money left. The costs that do not come out of the developer's pocket come off the land value. As long as that is made clear at the outset, and the developer then does his residual calculation on what the site is worth, that cost will come off what is paid to the landowner.

[129] **Michael German:** Would you like to add anything, David?

[130] **Mr Rosser:** I will pick up the first point on viability and national policy. To the extent that this is driven nationally and then fed down through the system, there is a responsibility on the Welsh Assembly Government—which is probably where it all starts—to think about and understand the consequences of its policies on the viability of development in Wales. That is where it starts. For example, aspirations of making quicker progress to achieve better low-carbon standards in housing have a knock-on effect on the viability of housing development in Wales. We need to understand that before we start driving that policy, and I am fairly clear in my own mind that that thought process is not gone through within the Welsh Assembly Government. We are talking about an environmental aspiration that is a good aspiration, and that is seen as sufficient to drive through the policy without proper analysis. I have talked to various Assembly committees about regulatory impact assessments, and why they need to be done thoroughly and early, so that we understand the consequences of these policies, but I still do not think that that is happening. When it comes to section 106 agreements, it is a question of negotiation.

10.00 a.m.

[131] Local authorities have been slow to recognise the changing economic situation, but I think that that it is starting to happen now. Builders have been quite concerned for local authorities to understand the need to contribute towards any infrastructure that is a direct result of a particular development, as they frequently think that they are being asked to contribute to just a general pot of money for the local authority to do whatever it wants with elsewhere. However, I think that the economic situation will flush that out. The economics are

really quite simple: it is the landowner who pays. We are starting to get messages that the big cost in housebuilding generally is not bricks and bricklayers, but section 106 agreements and the cost of low-carbon commitments. Those are starting to drive land values in some areas down to a level where landowners are saying that they will wait. That will just mean that developments slow down rapidly.

[132] **Joyce Watson:** I do not know what they are waiting for, to be quite frank. There is a green agenda on the horizon and it is not going away, so they could be waiting for an awfully long time. That will have another implication, will it not? I want to ask a direct question to the CBI. Do you not think that you should be talking up and exploring this green agenda? That is what we are trying to do here, to see how planning can deliver for the wider economics. There is an agenda firmly in place, and there is a need that drives that. We have seen the consequences of surface water flooding, for example, which you know I am keen to do something about. Does there not need to be joined-up thinking from you, developers and the Government so that this is seen as an opportunity, rather than a barrier? I might have misunderstood what you were saying, but you seem to be looking only at the barriers that are getting in the way because they are costly, rather than at the opportunities that might be there for the business sector to grow and develop the economy of Wales.

[133] **Mr Rosser:** The CBI is not just talking up the green agenda; we are putting a huge amount of work into it. I am not talking up the barriers; I am trying to get across that developments have to be viable. If they are not viable, it is because of external considerations or because the technologies around developing better zero-carbon homes are not quite there yet, although they are being worked on. So, I am absolutely not saying that we should abandon the green agenda. However, if we go too far too fast and ignore the market realities, things just will not happen—but I am not saying that we should abandon the agenda.

[134] **Mr Johns:** In support of David on that, most housebuilders are operating in a very competitive market. Going back to the landowner issue that you raised, many vendors still keep in their head values that were generated two to three years ago. Human nature being what it is, it is awfully difficult to bring them down to virtually half of what they would have attained then. That is a problem beyond anyone's control, unfortunately. However, it is important that all the costs on the shopping list attached to a development are made clear up front, because I have seen instances in the past where the social housing requirement has increased gradually as negotiations have gone on, but, usually, when you go in to discuss the planning aspects, you have agreed the price with the landowner first, so that can have an impact down the line. It is important that the costs are mentioned up front and dealt with initially, so that you know that you will not have to move too far from that figure when making an evaluation of the site.

[135] **Ms Hirst:** This is not directly about planning, but in answer to your question about viability, a change of mindset is also needed. We talked about the impact on land values, but in the longer term we would hope and expect those who were buying the house, if that is what is being built, to be prepared to pay a little more if it will perform better environmentally. The difficulty that we have currently is that that is not yet happening. We have done a lot of research into this, and we are doing a lot of work to drive that agenda, and that, I think, will begin to resolve some of these issues in the business community and in the domestic sector.

[136] **Mr Rosser:** Valuers need to be prepared to value that at a higher level, too.

[137] **Ms Hirst:** Absolutely. [*Inaudible.*]

[138] **Michael German:** We are not having internal disputes here. [*Laughter.*] Brynle wants to ask a supplementary question, and then I have two national questions that I want to ask before we move on to the final questions.

[139] **Brynle Williams:** I am interested in what has been said, but we have talked mostly about infrastructure and major developments. Another serious problem is that we also need an awful lot of affordable housing and mixed housing in rural developments, but the infrastructure in rural areas is hampering that, I believe. So, how do we get around that? I heard what was said about the value of land and what have you, but it is possible that land on the periphery of villages can be bought slightly more cheaply, but the deals are not being done. The major problem is the infrastructure, however. We have spoken of major developments, and an awful lot of communities need additional housing to keep the economic system going.

[140] **Mr Johns:** That is a difficult one. You have the rural exception sites provision, under which you can develop affordable housing on the fringes of villages and areas that would not otherwise be allocated for housing. There is, you would hope, a chance of buying that at a discounted value compared with market housing, but it is very difficult to prise them out onto the market. It is just human nature; people tend to hang on for the higher prices. How you persuade them to release the land is beyond me.

[141] **Brynle Williams:** It is not only about releasing the land, because there is also local experience of councils being relatively reluctant to release land to help out with planning applications for affordable housing on the rural periphery. I have several cases on the go in which two or three different councils simply refuse to do it, saying that they will not allow sporadic building. They give any excuse you can think of. It is a great shame.

[142] **Mr Johns:** It comes back to how much weight you can put behind the 'Planning Policy Wales' document in directing councils to follow the rural exception site policy for social provision.

[143] **Michael German:** I have two totally disconnected questions next, but they are roughly about national planning policies. First, what do you think might be the consequences of introducing the community infrastructure levy? Secondly, do you have a view on the UK Government's proposal to abolish the Infrastructure Planning Commission as an independent decision-making body? You do not have to answer the second question, but if your organisation has a view on the matter, it would be useful to know.

[144] **Mr Johns:** The community infrastructure levy gets the cost up front, so it should deliver greater consistency, but the risk is that you would still get a shopping list coming in behind it, and we need to be sure that it is a community infrastructure levy only and not a community infrastructure levy plus, which could happen.

[145] **Mr Rosser:** I strongly support that statement. The community infrastructure levy by itself seems to be a fairly sensible policy, but most of our members are convinced that it will be a community infrastructure levy plus a negotiation on the section 106 agreements in addition, or some other negotiation to top it up, in which case, I am not quite sure what it adds.

[146] On the Infrastructure Planning Commission, we certainly have views on that. The CBI is a strong supporter of creating a system that is more likely to fast-track large-scale infrastructure projects while, hopefully, retaining a democratic element and voice in the preparation of national statements—but taking some of the politics out of the actual decision making. We think that shifting the decision making back to Ministers is probably a retrograde step. It is now up to Ministers to demonstrate that they are able to make quick decisions on these big issues.

10.10 a.m.

[147] **Lorraine Barrett:** This is the killer question: what are the key changes to the planning system and processes that you would like to see the committee recommend to the Minister? This is your opportunity to give your view, or you can put something in writing when you have had time to think about it.

[148] **Mr Johns:** I would not recommend any key changes to the existing 'Planning Policy Wales'.

[149] **Michael German:** We are talking about planning policies in the wider context.

[150] **Mr Johns:** You need more teeth to enforce it.

[151] **Mr Rosser:** It is about delivery. Chair, you spoke about sticks and carrots earlier, and I think that I am right in saying that the Assembly Government has the power to step in to write a local development plan for a local authority if it does not get round to doing it itself. That is a fairly big stick. I would probably pick up the comments made by the Minister for Social Justice and Local Government when he spoke about whether we needed 22 local authorities and chief executives or whether we needed 25 planning authorities.

[152] **Michael German:** That is more of a question, David; do you want to answer it as well?

[153] **Mr Rosser:** There is a lot to be gained from having fewer authorities with greater expertise for dealing with significant applications—not necessarily applications for conservatories.

[154] **Lorraine Barrett:** Is that important because decisions made in one authority can have a huge impact in the region that it covers?

[155] **Mr Rosser:** We could usefully come up with a definition of these sorts of applications that had more than just a purely local impact.

[156] **Michael German:** Thank you. You have given us your views and waved the magical wand. We are grateful for your evidence this morning. There will be a record of what you have said, which you can check for accuracy but not to alter what you said. Thank you for coming to give evidence this morning; we are very grateful.

10.12 a.m.

### **Ymchwiliad i Bolisiâu Cynllunio: Casglu Tystiolaeth Inquiry into Planning: Evidence Session**

[157] **Michael German:** We now move on to take evidence from GVA Grimley. I welcome Tim Gent to give us his views this morning. We always offer our witnesses the opportunity to make an introductory remark or two about their paper, which we have read. You are welcome to make some comments if you wish or, alternatively, we can go straight into questions.

[158] **Mr Gent:** I am entirely relaxed, either way. I was simply going to summarise some of the points on the paper, but, having viewed the previous proceedings, they are fairly common to the points already made. Put simply, in relation to the questions asked, policy at a national level does very well, but it has the potential to do better.

[159] **Leanne Wood:** When you say at a 'national' level, do you mean at a Welsh national

level or a UK national level?

[160] **Mr Gent:** If I say ‘national’, it is in the Welsh context. It can also do well at a local level, but it often falls and fails. One reason for that, from my practice as well as from the work that we did on the application review, was the connection between national and local, which was the spatial dimension that you were previously talking about. I do not think that the Wales spatial plan is doing the job that it is expected to do, or it is not translating well at a local level. However, at both levels—and this again refers to the work that we did on the application process rather than policy—the application requirements of applicants can be quite disproportionate. As a result of that kind of overload of information, which is often required, some key messages, requirements, targets and priorities can be lost. In my experience, one element that is especially deficient, certainly at the local level, is either a misunderstanding—which sounds quite rude, but it is not meant to be—or perhaps a lack of understanding of the economic viability arguments, or a weighting against these, which must come from some kind of policy or some interpretation of policy at a higher level.

[161] The other point discussed during the previous session is that the system generally finds it difficult to balance what are an increasing number of responsibilities. I am putting all of this negativity to one side for a minute. I still think that the planning system and the planning application process in the UK are world-class. In terms of the challenges faced by the applicants, the planning authorities and the nation, it does an extremely good job. However, at the moment, the balance is just slightly out. We are very familiar with environmental objectives, environmental tests, nature conservation and flood risk—they are very well understood and very well covered in policy—but what is not covered in policy, or is not translating well to a local level, either because there are no statutory consultees on it or because there is no need for regular guidance on it, is the economic dimension. It is not just about viability; it is about how the planning authority responds to mainstream business requirements. That balance needs to be improved.

[162] Despite all of this, I still have enormous affection for the planning process. It is an excellent way of making decisions. From the work that we did, I do not think that any commentator, no matter how radical they were, came up with an alternative that had any legs whatsoever. It has about the right level of public scrutiny, intelligence and expertise. There could be improvements, which are listed in the report that we sent to the Welsh Assembly Government, which we are extremely pleased to see are mostly supported. Those are the points. I am sorry; I rambled on slightly.

[163] **Michael German:** That is fine, because you have covered many of the areas that we want to examine a bit more. I just want to look at this general point about the balance between the longer term objectives and then dealing flexibly with changes that occur, like the economic downturn and so on. You have used the word ‘weighting’, so I will ask you straight away what you think. How do you include weighting in a planning system? Earlier, we talked about material considerations. To me, a weighting means that it is more than a consideration; it is a heavy consideration. How do you make that work? The whole question is really about how you improve the balance that you have just talked about.

[164] **Mr Gent:** I think that you have to change. Fundamentally, weighting is the expertise of planning. If you are not in planning to balance and manage competing aspirations, you are in the wrong business. It has to go to the proper training of planners. More importantly, it has to go to the language and culture within which planning operates at the moment. It is changing; it has always been one of control and negativity, where the bar is set incredibly and disproportionately high. We need to change that emphasis to managing and encouraging the right forms of development rather than discouraging the wrong forms. That is very subjective, because that is what planning is. There is no science to it. I did a Bachelor of Arts degree, and other people whom I work with did Bachelor of Science degrees. Planning does not know

where it sits as a profession, but that is no problem, because it is about balancing. It is very straightforward. To go back to the purpose, if you have the right policy, which has a clear target or a clear priority, it helps you to weight, manage and gauge where certain things should be more important than others. At the moment, we have a lack of guidance on how important some things should be, and a lot of guidance on how important other things should be.

[165] **Michael German:** Therefore, there is an imbalance in the guidance.

[166] **Mr Gent:** Yes.

[167] **Michael German:** On weighting and getting the balance right, let us say that something has an impact on economic change in the planning world in a particular part of Wales, do you think that we should be looking for different consultees? Should we be asking different questions of different people in order to create the right balance, so that the people who eventually make that decision have a wealth of information in front of them? Are we deficient in that information?

10.20 a.m.

[168] **Mr Gent:** I think that we are. One point that we gathered when we did the planning application review was that, among the statutory consultees, there were no business consultees. I have absolute sympathy for and empathy with environmental concerns and sustainable development—it is my job to promote that—but what we do not have, and what we sometimes have to ask for rather than receive, is a view from the authority on the importance that it attaches to economic development. So, there is no statutory consultee on economic development. There might be an economic development officer, but there is no statutory consultee or even, sometimes, an informal consultee.

[169] **Angela Burns:** Thank you for your paper. You talked about the weighting and about mainstream business requirements, but on a slightly different issue, do you think that we need to give more weighting to what I would call ‘social economic impact’? For example, on allowing someone to build something that can be kitted out completely for a disabled person, the response can be ‘no’—this is obviously a real example, but there are many such different examples—because it is outside of the planning rule. I often think that the economic impact on the state will be greater, because that person will then have to be housed in a facility and so on. There are many different examples, and that is probably a poor one. I can think of examples related to flooding too—all sorts of areas where this is about the individual. There never seems to be any weighting for social on-costs.

[170] **Mr Gent:** You are right, and pardon me for not saying so before, but the deficiency is in social aspects as well as economic ones. It is the three-legged stool, or whatever you want to call it this week, of sustainability; the social and economic aspects are lagging behind the environmental ones. They are also lagging behind the application of policy. Your example was an excellent one. Say, for example, that such a development is in a settlement where planning policy tells you that you should not have any growth because there is a lack of facilities or everyone will have to drive or whatever, but the need would still be there. However, planning policy says ‘No, that is in the countryside’. There is no balance to that at the moment, because often there is no policy in your UDP, let alone your LDP, that says that, in certain circumstances, you will be allowed to have certain things. You almost need to have provision to move outside of policy to take exceptional circumstances into account, because, inevitably, there are some things that policy will not be able to anticipate. In the case of examples like that, it absolutely should.

[171] At the moment, policy is a barrier to decisions, and fear of departure and challenge is

a barrier to some schemes because there is no policy in support, let alone a policy against. It can be a real barrier. The policy then percolates upwards, because it applies to the policy that you have on a national level on care. Why is that not feeding down quickly? I think that that is because, at a local level, these plans are intimidating, certainly in terms of recent experience, for very experienced planning officers. No examples need to be given.

[172] We are currently sitting in one area where there was an extremely experienced planning team and their plan has basically disappeared. It is now putting a delivery agreement in place for a five-year plan. I say this out loud every time and I cannot believe it—a five-year plan for a capital city that has not had a local plan or a statutory development plan on a local level in place since 1996. That is a shocker, and that is where national policy can do two things: first, it can set policy for decisions in this authority or in whatever authority—it is very unfair to focus on Cardiff; and, secondly, you can say, ‘Guys, you have got to do better’, or recognise that there are some situations where people will be allowed to work outside of the statutory requirement for a local development plan, and get on with the business of sustainable growth despite that plan, rather than because of it. That is the only way that I think that it can work.

[173] **Leanne Wood:** I want to come back to what you said earlier about there being quite a lot of environmental input into the process, but not enough input from the economic side. My experience is the opposite. We often hear criticism that when it becomes a question of jobs versus the environment, such as, for example, in a planning application for an opencast coal mine, the jobs argument always seems to win. So, you may have all this input from the environmental side, but because jobs will always be a priority in Wales and, in certain parts of Wales they will be more of a priority than in others, jobs will win. We have a duty under the Government of Wales Act to promote sustainable development. I do not know how much that translates into action on the ground or how much that skews things in favour of ensuring that the environmental considerations are a top priority, but my experience and the criticisms that I hear from environmentalists tell me that we have the balance wrong, but in a way that is the opposite of what you are suggesting.

[174] **Mr Gent:** Criticism from everyone is inevitable in the planning system. You will never make everyone happy with a decision, because someone will always be disappointed. In any system of regulation, you will have to have a balance. My experience as a planning consultant—with 22 years in practice, the last 16 of which have been in Wales, as well as in England—is that, at the moment, planning officers have a comfort level with regard to their capability. The guidance has come down strongly on the environmental side. I do not think that any authority, at the moment, is giving the right weight to the job generation potential of not just opencast—I do not do any work on opencast, unfortunately or fortunately, because it is not one of my areas of expertise—but of big regeneration schemes. We still see some authorities seeking gain in its traditional form, in planning obligations and extra costs, rather than looking at the inherent benefits of the scheme in what are massively challenging economic conditions. That is what I see; I accept that other people will see it in another way, because that is inevitable.

[175] **Michael German:** We are getting short of time, Joyce. Perhaps you could mix your questions together.

[176] **Joyce Watson:** You said in your preamble, which I was not here for, that the spatial plan is not delivering as it was meant to, and you also said that in the document that you sent us. So, your starting point is that it will not deliver. What changes could be made to the Wales spatial plan to provide more effective guidance on strategic planning issues, and how should it relate to ‘Planning Policy Wales’?

[177] **Mr Gent:** There are two or three things that the Wales spatial plan could do better.

As I said, I am not an arch-critic of it, but I think that it could be better. The previous version was a better version, in some ways, although not in others, but you could perhaps merge the two. What I liked about the first version of the spatial plan was that specific projects and priorities were mentioned in it, which were almost national by definition, because they were in the Wales spatial plan. These were things such as Llanwern, Coed Darcy and international business park. In the new version, we have the concept of strategic opportunity areas, which no-one understands. If we could make the Wales spatial plan much more spatial in its targets and if the Government was prepared to put in some of the national requirements and targets, whether on housing or a regional apportionment—I know that is controversial, but I still think it is necessary to have some housing and economic development targets in it—and if they were applied on a diagram that did more than show roads and towns, that would make the plan better. It is relatively straightforward; there are plenty of people out there who used to do it. That is what I would do.

[178] **Joyce Watson:** Thanks. Having said all of that, which aspects of the planning policy at national and local level appear to work well? You said that some did. Which could be enhanced through the identification of clearer targets, if you think that we should have targets?

10.30 a.m.

[179] **Mr Gent:** I have always been a huge fan of ‘Planning Policy Wales’. It is the national plan that no-one else will ever have. It is a really good way forward, but the problem with it is that, because it is a single document, and we have had MIPPS, it is difficult to review on a wholesale basis. It is a tall order to make changes. That is why we have had more than one MIPPS; we had a 2002 version, and now, eight years later, we have a 2010 version. It should be more nimble and responsive to the changing environment, changing economic conditions, national priorities, and so on. That document should be reviewed yearly, I think—not in a big way, but just to check that it is still doing what it should do, and that the decisions that are being based on its content, either through appeal or through planning applications, are right.

[180] With regard to targets, as I say, maybe the Wales spatial plan is the place for targets.

[181] **Joyce Watson:** Briefly, when you said that it should be reviewed, who should be reviewing it, and who should be involved in that review? I know that I am pinching time here—sorry.

[182] **Mr Gent:** There is a lot of expertise in the Welsh Assembly Government. The people who worked on the planning application review with us were great, and there is a lot of keenness and willingness to do this kind of thing. They were very sympathetic, and the Minister was also sympathetic to what we are saying. Certainly in terms of the policy implications that it has, although the review was not about policy, this should be a living document, so I think that the Welsh Assembly Government should do the review. In fact, the only people who can do the review are Welsh Assembly Government officials.

[183] **Leanne Wood:** You mentioned the conflicting priorities that national policy could help to resolve. Could you tell us how national policy could help on that front, please?

[184] **Mr Gent:** In two ways: first, the statement that we have recommended on economic development, which we should have rewritten to respond to social and economic development—that was a good point made this morning—should help to indicate how importantly WAG views the generation of jobs. Notwithstanding what you said before, I do not think that that is getting through at a local level, and I do not think that those involved in the planning process are really cognisant of what it can do to stimulate growth at the moment. Regarding pre-application, application and obligation discussions, it is about the only thing



that the public sector has to throw into the pot, and that is what the Welsh Assembly Government should be doing through its policy to stimulate the right forms of growth. For example, it could indicate—and this is not politically correct—where affordable housing targets may have to be dampened in order to get some housing delivered. That is a very difficult job, and I know how important affordable housing is to the Welsh Assembly Government, but some housing surely is better than no affordable housing or no housing whatsoever.

[185] **Michael German:** Before you move on from that point, the Wales spatial plan is not in Jane Davidson's portfolio. Do you think that it should be?

[186] **Mr Gent:** Absolutely.

[187] **Michael German:** Leanne, you are next.

[188] **Leanne Wood:** My other questions have been covered, I think.

[189] **Michael German:** Then we move on to Angela.

[190] **Angela Burns:** I will use an example from the area that I represent—part of Pembrokeshire—but I think that it is replicated throughout Wales. The Milford Haven waterway, which is part of the Wales spatial plan, is in my constituency. I would like your opinion on a view that I am beginning to form on planning policy, which is that we tend to throw up our arms and say, 'Oh gosh, we have no jobs in Templeton—what can we do to get people to come to Templeton and set up businesses, and make Templeton work?'. I wonder whether, in fact, what we need to be doing—and I see no evidence that this is being done—is to see something like the Milford Haven waterway as something that could be transformed into an enormous economic hub for that part of Wales.

[191] What we should be asking is what can we do in terms of planning, growth and development to make the jobs happen there, and then we will ensure that people in Templeton can get there easily, cheaply and sustainably. I see this arising in relation to some of the Valleys work and some of the stuff in north Wales. I wonder why we keep thinking that we have to take the jobs to the people when what we should logically be doing is taking the people to the jobs, because we can attract inward investment much better if we can create these hubs around Wales. Does that make sense?

[192] **Mr Gent:** Absolutely. That is probably more of a local issue, rather than a spatial plan dimension. It is about how free you feel to form that kind of policy at a local level, because another criticism that we sometimes get from local planning authorities is that they cannot do that because WAG will complain. It is about having that level of freedom. It sounds as if I am contradicting myself, because I am saying that we need targets and policy and that it only works if there are targets, but you need freedom as well in order to apply the targets. So, Templeton or not, as long as that decision meets other fundamental planning and sustainable development criteria, then plan away.

[193] **Angela Burns:** I do not see that happening particularly, so it comes back to my question of what you think about local planning policies varying in both their interpretation and application of national policies. I do not want to put words in your mouth, but am I beginning to understand from you that there is not a lot of variation, because people do not want to break free or are worried about going against a national policy?

[194] **Mr Gent:** There is a triple contradiction coming up. One of the things that we picked up through the application review is that there are 25 planning authorities in Wales operating, what feels like, to some applicants, 25 different systems in terms of how applications are

considered and approached, the officer time that you get, the requirements that you have to meet to get an application registered, and the process, timescale, costs and so on. In a country of this size, there should be more consistency. It should be a piece of cake, really. That is why one of the recommendations in this work was to look at a new development management protocol. Yes, there is an absolute lack of consistency, and there is a lack of consistency in decisions, too. For example, the planning authority might be prepared to override or interpret a WAG policy in one way, and then it might be nervous the next week and would say, 'No, we do not like to override it this week', or, 'That is not the priority or the message we are getting from WAG' or whatever. So, clearly there has to be a better, more targeted and more concise way of communicating key WAG priorities to local planning authorities and allowing them the freedom to operate within those. They must be able to choose with regard to development decisions in the same way as with regard to planning obligations.

[195] **Angela Burns:** I will play devil's advocate now and reverse the Chair's question to you. If the Wales spatial plan were to stay in the economic portfolio, do you think that planning should move from the Minister for the environment's portfolio across into the economic portfolio rather than staying where it is? You have said 'yes' to moving the spatial plan over, but then you are asking the Minister for environment to be in charge of economic development, which is interesting.

[196] **Mr Gent:** I will pass on that one. There has to be a way. If we get it right, then as long as those in control get together regularly enough and ensure that all the priorities, and the implications of those priorities, are adequately spatially aware, then clearly my feeling is that the Wales spatial plan should be in the hands of the planning experts in WAG. That is absolutely where it should be.

[197] **Angela Burns:** Finally, I want to say for the record that I thought that your report on the application of the planning process in Wales was truly excellent.

[198] **Mr Gent:** Thank you. I am grateful.

[199] **Angela Burns:** It was very sound.

[200] **Michael German:** That was reflected in many of the statements that were made in the Chamber as well. Part of your question has already been answered, Lorraine, but you may want to ask the first one.

[201] **Lorraine Barrett:** What areas of planning policy could be streamlined to ensure that the key priorities of the Welsh Government are better understood?

[202] **Mr Gent:** Crikey.

[203] **Michael German:** We only ask hard questions here. [*Laughter.*] There is no time for reflection.

10.40 a.m.

[204] **Mr Gent:** It was going so well. What areas could be streamlined? In terms of the weight of guidance, if you look at 'Planning Policy Wales', I do not think that you can streamline it; the balance in it is right. I would like to see a new section in it on economic development, only because that was a key message that came through the application review. As for whether there should be less of that guidance, I do not think that anything would be achieved by doing that. To write a little, you have to know a lot. Someone will pick up that document because it is the only source of information, especially given the local development plan vacuums that might exist for a while. You will therefore need good guidance on a

national level. Some of the TANs are a little wordy, but that is my view; they still have a message to give. I would not want to get rid of any TANs, because they all have a message to give as well.

[205] One point that you raised with the panel earlier was right, namely that this is guidance; it is not law. Maybe we should let the planning authorities play with it a little more, according to their local circumstances and requirements. At the moment, they are coming back to us and saying that they cannot do something because it is non-compliant with the TAN. However, it is guidance, and they should use their discretion and sense of balance, and should be happy with the decision that they are making on a local level.

[206] **Rhodri Glyn Thomas:** You have just asked for a new section on economic development, but in your paper you ask for an amnesty on guidance.

[207] **Mr Gent:** We get it in the neck on this all the time.

[208] **Rhodri Glyn Thomas:** You also ask for limits to be placed on the introduction of new or revised policy. There is a bit of a contradiction there, but we shall forget about that. Are you saying that there are too many changes all the time, which means that there is no consistency in the delivery?

[209] **Mr Gent:** The issue is the pace of change and the timing. The previous respondent said that there is no lack of appetite for sustainable development, and what needs to be considered is the timing of the requirements when they come in. That is not an economic or social thing; it is general. An awful lot has been thrust upon planning officers for them to contemplate, whether from Europe or from whatever direction. While we are spectacularly intelligent people, there is a limit to this. I have genuine sympathy with planning officers, because they are being told what to do by so many different people or agendas, they are struggling. Picking up on your earlier point, there should be an amnesty on anything beyond the non-corrective measures that are recommended in the report. We have received that criticism; it is made all the time. However, clearly, we are trying to manage a system that is fundamentally okay. Fundamentally, there is no better way of making decisions on developments or about quality control in those developments. However, it can be done better, because at the moment there are genuine concerns about requirements, timescales, costs, considerations and the implications of the decisions that are made.

[210] **Rhodri Glyn Thomas:** What is the most effective way of ensuring that the necessary infrastructure is put in place and that community facilities are made available?

[211] **Mr Gent:** In relation to the current mechanisms, I have not been a great fan of the community infrastructure levy, or of its theory—I do not know whether it has been put into practice. The negotiated route is right. Some authorities are extremely good at providing supplementary planning guidance. Bridgend is an excellent example, because it has guidance notes—although not on all things—relating to planning obligations, and for community facilities it has a roof tax. It is flexible, because it says that it is providing the guidance for itself, and that it will start from that point unless someone else can tell it why it should not happen. Therefore, the current system of section 106 obligations provides the right degree of flexibility.

[212] I was involved in the Llanwern scheme for St Modwen Properties with Newport City Council. The council and St Modwen got round the table with the original heads of terms who went to committee with the scheme in 2006. Then, the sky fell in, everything changed and there was not enough money. So, we went back to Newport council and asked whether it could help us, and it was fantastic. It said that it would not get rid of any obligations, but that it was only changing the delay so that St Modwen could carry out enough development before

the first payment was necessary, or before the first thing kicked in. That was an exemplary way of proceeding. It did not mean that we were going back on anything; it is just that they helped us out in the short term, in these economically challenging conditions. It was a great example.

[213] **Michael German:** I asked a question of the previous witnesses, as I am sure you heard, about the Infrastructure Planning Commission. Do you have a view on whether it should be abolished as an independent determiner of large-scale planning applications?

[214] **Mr Gent:** I must admit that I think it is a good idea, provided the mechanisms are still in place to ensure that decisions on these really big infrastructure projects—and the smaller ones in fact, because it is all relative—can still be made quickly. I am not concerned whether it is done through the IPC, back with the Ministers or through the Planning Inspectorate, as long as genuinely important decisions are taken quickly.

[215] **Michael German:** Thank you for that.

[216] **Leanne Wood:** Do you have a view on who should make those large infrastructure decisions? I am wondering whether there is a disconnection because some decisions are made at UK level and some are made at a Welsh level. Therefore, there is different guidance for making those decisions. The duty to promote sustainable development that I mentioned earlier applies only in Wales and not to UK decisions. I am of the view that we should devolve those big infrastructure planning decisions to a Welsh level. Do you have a view on that?

[217] **Mr Gent:** Yes. As long as the purpose and the impact are local, which, in this case, would mean Wales nationally, those decisions should be taken by the national Government of the country—absolutely.

[218] **Leanne Wood:** Thanks very much for that.

[219] **Brynle Williams:** Do believe that sufficient resources and expertise are available in planning authorities to deal with the extremely complex planning applications that are coming through now?

[220] **Mr Gent:** Probably not, but, in certain areas, the deficiency is significant. There is never going to be broad-spectrum expertise across all of the Welsh planning authorities, because not everybody needs a certain officer with a certain specialism. I think that the important thing is not resource but the profile of the local planning authority. One of the previous witnesses talked about the level at which the head of planning sits. As long as the role has the right profile within the local authority, planning will get the time and respect it ought to, relative to the demands of resources on that authority. So, it should be a tier 2 officer as a minimum requirement. That will then percolate through with regard to the resources that can be reasonably expected from financially challenged authorities.

[221] **Brynle Williams:** How effective do you think local planning authorities are in undertaking collaborative work on planning policies and strategic planning issues?

[222] **Mr Gent:** We found a couple of good examples through the review. Carmarthenshire on wind power is a good example. It is dealing with planning applications for the Brecon Beacons and one other authority—I think it is Denbighshire. Carmarthenshire is basically taking care of those applications. Similarly, on minerals, there is shared expertise. On issues on application types, collaborative working is good. However, on general growth agendas, such as, for example, the question of how you make south-east Wales work as a single economic entity, or the question of how, as residential challenges come forward, those could be better spread between the number of authorities, collaborative working is very poor. So, on

certain types of development—minerals and wind power stand out—collaboration is great, but general collaboration on connected decision making on residential roads and employment by neighbouring authorities is very poor. That is one area where the Wales spatial plan could really help.

[223] **Michael German:** Before Brynle puts his final and killer question—[*Laughter.*]—you raised the issue earlier of planning not having a sufficiently high profile in local authorities, or at least in some authorities. Why do you think that is?

[224] **Mr Gent:** I think that it is because of the language of planning and the perception that it is a regulatory function rather than a promotional one. Planning needs to be seen as having an enabling role, a doing role—even if the doing is protecting, which can be just as positive as facilitating development. If you have that mindset in planning, or if you have some better figures, that would help to raise the profile. It is the culture that needs to change, and that will need to happen with the planning officers first and then within the wider authority.

10.50 a.m.

[225] **Michael German:** And now for the killer question.

[226] **Brynle Williams:** Finally, if you were the boss, what recommendations would you like this committee to make to the Minister?

[227] **Mr Gent:** Speaking frankly—and this will sound very partisan—I would really like the balance between the environmental, the social, and the economic to be more equal than it is at the moment. In the first instance, I would like to see greater priority given to this—and it can be time-limited. That is what most people get concerned about, as they think that you are wiping away the environmental agenda for ever, but that is not the case. For the moment, check the economic benefits of growth, and get them higher up the agenda, but not in any way that threatens any sustainable development commitment. That is possible, it can be done, and it needs to be done, but it needs to come from a very high level.

[228] **Michael German:** Thank you very much, Tim, for your evidence this morning. It has been most helpful. Thank you for being so open with us. A record of what you have said will be sent to you—you can alter it for accuracy, but you cannot alter the content. We are grateful indeed for your evidence this morning on the back of your report, which we debated in the Assembly last week.

[229] **Mr Gent:** Thank you for the invitation.

[230] **Michael German:** Before I invite Members to move into private session, I remind you that the next meeting will be held on 7 July at 8.45 a.m.. You may ask Virginia why it is to be held at 8.45 in a moment when we go into private session.

[231] **Rhodri Glyn Thomas:** Chair, just before we go into private session, I would like to put on record the committee members' appreciation of your period as Chair of this particular committee. Also, as I did not have an opportunity at the last meeting of the Rural Development Sub-committee, I state my appreciation of your contribution to the sub-committee. I think that you have done a wonderful job in a very short period in both committees, and we wish you well on your elevation to the House of Lords.

[232] **Brynle Williams:** Angela and I would second that.

[233] **Michael German:** Thank you. I am grateful to Members for that. I shall bring my red box in so that you can see what it looks like to have one of these letters patent. I thought that a

letter was something that you put in an envelope, but this is in a box covered in red leather. I took it with me on the train last night; I did not bring it with me on the train this morning, because I was a bit worried about bumping it against something or other and damaging it. When I have a chance, I will bring it in and let you all see it.

10.53 a.m.

**Cynnig Trefniadol**  
**Procedural Motion**

[234] **Michael German:** I move that,

*the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 10.37(vi).*

[235] I see that the committee is in agreement.

*Derbyniwyd y cynnig.*  
*Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 10.53 a.m.*  
*The public part of the meeting ended at 10.53 a.m.*