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‘The housing crisis is about to explode due to the continuing power of local planning committees’

I have written numerous articles for this magazine over the past decade about the failure that is our planning system, but things really are now at an all-time low.

This article stems from pretty much every discussion I have had with our clients or other agents we know involved in schemes in the planning system, whose frustration is at an all-time high.

We have all seen various announcements by Michael Gove and Rishi Sunak about how we need to improve the system but I feel they are nothing more than hot air.

At the same time, following the Labour Party conference, Sir Kier Starmer made some very bullish statements on how many homes Labour will build if the party gains power but clearly failed to realise that most planning committees, in London at least, are run by Labour and are a shambles.

The truth is government and politicians do not care about the creation of new homes as they simply do not win votes.

A serious business

I could ramble on for hours, but this is a serious business that impacts every facet for everyone in the residential property business – even more so now we are in the early stages of a recession, with the highest interest rates in 15 years, LTVs down, build costs still not reducing and, worst of all, a non-existent first-time-buyer market. And it looks like we are not finished yet.

Most of the major housebuilders and large private developers are mothballing schemes in the hope that at some point the economy will improve.

The housing crisis is about to explode due to the continuing power of local planning committees – most of whom know nothing about property – to a



GARY ROBERTS PHOTOGRAPHY/SHUTTERSTOCK

whom refuse planning applications that are recommended by their planning officers. We don't like the design, they say, the windows are the wrong shape, it's too tall, not tall enough, there's a shortage of affordable housing (despite viability proving otherwise), what about the bats? The loss of employment? Negative effect on character? You get the drift.

Who would be a planning officer?

You must question why anyone in their right mind would want to be a planning officer. Firstly, the starting salaries, according to my Google search, range from £29,000 to £40,000 per annum. Secondly, they almost certainly face a barrage of abuse on a daily basis from frustrated developers, planning consultants and architects about their lack of ability to deliver in a system which now requires more reports on more subjects than a *Mastermind* contestant could remember.

Planning officers should be paid the same as those in private consultancies so there are quality people in all parts of the system. That all sounds very simple and it is – just charge more money for planning applications. If it means applications are processed quicker, there is not a single developer I know who would argue, as the holding costs most are currently carrying are crippling their returns to such

an extent that most schemes are almost certainly unviable.

The most basic consent will take a minimum of 12 months to three years for major applications and cost anything from hundreds of thousands to millions of pounds.

Most planning departments are underpaid, overworked and in many cases under-qualified to make even basic decisions.

So how do we change things?

While on the face of it pre-apps have a solid foundation, to have three, four or five over a period of year to satisfy the planners is madness. These need to be limited to a maximum of two or three within a fixed time frame. Once you have satisfied what the planners have asked for and submitted your application, providing it ticks all the boxes, it should be met with a recommendation by the planning officer and the committee should have no right of refusal based on personal opinions.

There should also be a maximum time frame on when applications should be heard, which is no more than 12 months from the first pre-app meeting. Developers will then be able to run more accurate cash flows, which may then provide greater value for the landowners.

We are receiving calls on a weekly basis from operators acting on behalf of local authorities and government which have housing lists running into the thousands and a lack of applications will only see this pressure increasing.

The Conservatives have tried and failed on planning, but I really hope that if Labour takes office at the next general election they come up with a meaningful, implementable gameplan in their manifesto to improve the system before it really is too late.