

Averting an extinction event

The dial on spending on housing delivery, social or private, at a national and local level must be shifted further

As if on cue, shortly after the Cambridge University Land Society's annual Planning Update conference we report in this issue, Berkeley Homes announced it was halting land acquisitions, citing costs and regulations. The viability of developing homes in London has all but been extinguished and diminishes with every Trumpian outburst.

If lack of viability is the issue, what are the answers? It's important to acknowledge the planning system is not guilty, which might be mistakenly inferred. It balances desirable social and environmental ends, implementation of decisions are governed by rule of law and it enables, by statute, democratic engagement to influence policy and individual application outcomes. These remain desirable fundamentals in a liberal democracy - unless you are an ardent supporter of the Chinese Communist Party attempting to secure a new embassy next door to the Tower of London.

What's the problem? We aren't getting the outcomes we need now. Time to contemplate policy solutions across the battlefield, to continue topical military analogies. Starting small, it has always been destructive of the market's ability to deliver – for delivery is all – that policy should insist smaller schemes of as low as 10 homes accommodate affordable units. That threshold needs to be raised to something like 50 units immediately.

We need to revive small builders, developers and investors' interest in delivering homes. Every borough needs a small sites SPD like Croydon's – something one council got right but alas took on the task of delivery without managing risk appropriately, which is the developer's primary skill. Fear of the consequences of failure being a spur to success. It is much safer to invest elsewhere than the development roller coaster. Swathes of smaller developers, investors, financiers have done just that figuring development isn't worth the risk. Planning policy appears unconcerned about this despite making noises about supporting the sector. It should be more concerned.

Now even larger fauna in the developer eco-system are finding it tough to feed themselves. Policy is supposed to be evidence-based. Berkeley Homes' announcement is hard evidence it is having the opposite effect of that intended. The dial on spending on housing delivery, social or private, at a national and local level must be shifted further and vehicles established to deliver specifically social, or affordable housing.

Jumping to the bigger end of the carrot and stick regime, local authorities' residential property portfolio holdings in London, across 33 boroughs, and the even larger portfolios of the G15 housing associations account for a million homes in London. These contain many hidden or unacknowledged development opportunities. The GLA should ask these bodies to audit and make publicly available the good, the bad and the ugly. And find something sensible to say about its own hopelessly unrealistic targets. ■

Planning in London has been published and edited by Brian Waters, Lee Mallett and Paul Finch since 1992