

THE LITMUS TEST

When developers' shovels fail to hit the ground, the die is cast for generations – why Britain needs a radical overhaul of its planning system

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In 2015 New York City Comptroller Scott M. Stringer delivered a renowned speech in opposition to City Hall's plan to deliver a major regeneration scheme in East New York and at the same time displace around 50,000 existing residents.

In the speech he said:

"When it comes to urban planning, we need to do a better job of listening to existing communities, engaging residents, and considering the long-term impact of re-zoning on the people who have lived in our neighbourhoods most, if not all, of their lives. Once a developer's shovel hits the ground, the die has been cast for generations."

In the US, Japan, and indeed much of Europe, zoning determines how pieces of land in different areas must be used (i.e. residential, commercial, industrial, etc), unlike in the UK.

I've been thinking about Comptroller Stringer's final sentence here and how it can be re-interpreted in different ways.

For instance, if a developer's shovel does not hit the ground the die is also cast for generations.

In the UK many believe that existing communities have had too much power over the planning process and as a result too little infrastructure and housing has been delivered for decades.



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So, the UK government has finally got fed up of this second scenario and the fact that developer's shovels, and indeed a whole host of construction plant and machinery are sat gathering cobwebs or have not been ordered and because Britain is not building enough.

And it could be that the UK government has a fair point.

Britain opened its first High Speed Rail line, HS1, in November 2007.

China's first High Speed Rail line began operations in August 2008.

In the intervening years China delivered 37,900 km (23,500 mi) of High Speed Rail by the end of 2020 and expects to its high-speed network to measure more than 50,000 km (31,068 mi) by the end of this year.

In comparison the UK has tunnelled only around 61km (38 mi) to lay the track for its second High Speed Rail line, known as HS2.

China is of course many times larger than Britain and is also one of the fastest growing nations in the world.

However, the UK's neighbouring nations are also greatly outstripping it when it comes to development.

Since the Year 2000, three British cities have opened or re-opened light rail lines, these are Edinburgh, Nottingham and the South London Tramlink.

In comparison over the same time period France has opened or re-opened tramways systems in 20 cities including in the Orléans, the smallest city in France which is home to a two-line, 29km (18mi) tramway lines for around 116,000 inhabitants.

Meanwhile, Leeds, with its population of more than 820,000 remains the largest city in western Europe without a light railway system.

It looks like things might finally change with the construction of a £2.5bn tram system linking Leeds and Bradford – two of the top 10 largest metropolitan boroughs in England.

While later phases could see Halifax, Huddersfield, Wakefield, and Castleford connected to the West Yorkshire Mass Transit system.

However, plans to re-introduce tram services in Leeds date back almost 40 years to the failed plans for an East Leeds light railway system.

Then proposals for a Leeds Supertram were floated in the 1990s with £40m was spent on the design and development of the network before the plan was mothballed in 2005 as cost estimates had doubled to £1bn.

Delays and cancellations to projects mean that the UK currently only has operational tram systems in nine cities.

Meanwhile France has integrated light rail into three times as many cities as the UK, while Germany has more than six times the number of tram networks, with people living and working in 60 towns and cities enjoying access to a tram.

And it's not just infrastructure where Britain is behind.

Analysis by Centre for Cities also shows that the die has been cast for generations of people hoping to buy or rent an affordable home.

Compared to the average European country, Britain today has a **backlog of 4.3 million homes** that are missing from the national housing market as they were never built.

What is the impact of this staggering shortfall in housing?

Analysis by the Home Builders Federation (HBF) shows England's severe shortage of housing has made it the most difficult place in the developed world to find a home, with the lowest rate of available homes per person among developed nations.

And when supply does not keep pace with demand then prices proliferate.

The HBF's analysis shows that almost a quarter of people renting their home from a private landlord in the UK are now "overburdened" by housing costs as they are spending more than 40% of their income on rent.

A total of 23% of renters in the UK are overburdened by rental costs compared to just 9% in France and 5% in Germany.

Generations of people in England have now paid the price for the political choice of not building enough housing.

Analysis by the National Housing Federation from 2021 showed that 8.5 million people in England are in housing need as their current home is unaffordable, overcrowded, unsuitable for the household's needs or the household is affected by adult children still living at home.

This equates to around 15% of the population of England.



Meanwhile polling undertaken by The Hyde Group found one in four people in England (25%) said they had delayed a major life decision like starting a family or moving job or house because of their inability to find a suitable home.

When extrapolated across the population of England this 25% equates to 14.1m people putting their lives on hold due to the housing crisis.

As well as the human impact of these policy decisions Britain's failure to build new infrastructure and housing lowers economic growth and reduces both physical and social mobility.

To help tackle this broad-based and deep-rooted malaise last week the UK government published its new Planning and Infrastructure Bill.

The government believes the Bill will speed up and streamline the delivery of new homes and critical infrastructure, supporting the delivery of the government's target to build 1.5 million safe and decent homes in England and fast-tracking 150 planning decisions on major economic infrastructure projects by the end of this Parliament.

The Bill proposes sweeping changes to the planning system including proposals to make planning applications for Nationally Significant Infrastructure Projects (NSIP) less burdensome.



The changes include:

- **Reducing legal challenges to Nationally Significant Infrastructure Projects (NSIP):** Legal challenges to major infrastructure projects will be cut by the Bill's new requirement that meritless cases will only have one attempt at legal challenge, rather than three strikes and you're out rules as we have at present.
- **Cutting the number of consultees:** Reducing the list of statutory consultees for planning applications will cut the amount of time needed to consult on and appraise planning applications. There are currently more than 25 organisations listed as statutory consultees including Sport England, the Theatres Trust and The Gardens Trust.
- **Digitising the system for Development Consent Orders:** The government believes that digitising the NSIP consenting process will support the delivery of faster examinations, and also deliver greater transparency, accessibility and wider participation for all parties engaging with NSIPs.
- **Speeding up the connection of Clean Energy to the National Grid:** The Bill proposes that clean energy projects should be prioritised in the planning process rather than the "first come, first served" approach currently in place for managing connection requests. Time limited powers will also be given to the Secretary of State and Ofgem to prioritise connections for three years from Royal Assent of the Bill, enabling them to directly amend electricity licences. People living within 500m of new pylons are also set to get up to £2,500 off their electricity bills over 10 years in a move that it's hoped will reduce opposition to new Grid infrastructure.
- **Reducing involvement of Planning committees:** The Bill aims to streamline planning decisions by introducing a national scheme of delegation which will establish which types of planning applications should be determined by planning officers with the aim of reducing the number of applications which have to go in front of councillors sitting on their local planning committee.
- **Compulsory Purchase Order (CPOs) Reform:** Land needed to drive forward housing or major development could be bought more efficiently and more cost-effectively under proposed reforms. By removing the cost of 'hope value' when councils and public sector bodies are buying land to build in the public interest the government would reduce the cost of land enabling more affordable homes to be built and speeding up development.

These reforms represent a wholesale transformation of the planning system and have generally been well received by the sector.

Kate Jennings, chief executive officer for The Association for Consultancy and Engineering (ACE) and The Environmental Industries Commission (EIC) said:

"The bill marks a significant step towards removing blockers, unlocking the housing and infrastructure the UK desperately needs. We welcome the government's commitment to ensuring a faster delivery of Nationally Significant Infrastructure Projects, streamlining planning decisions, enabling strategic planning and giving confidence to investors."

Patrick Hickey, director of the development management consultancy, Make NW, said: "Unlike previous governments which only delivered tweaks to the planning system, these changes are comprehensive and have the potential to be transformative."

"Removing hope value from land means local councils, Homes England and other acquiring authorities will be able to purchase land more cheaply enabling them to deliver more affordable and social housing."

"More national guidance for Compulsory Purchase Orders (CPOs) will also help speed up the process. By removing inconsistencies and reducing subjective decision-making, these updates aim to minimise investment risks and create a more stable, predictable planning framework."

"From ongoing discussions across various projects, it's evident that the viability of new development remains a persistent challenge across the North."

"If the government wants to boost economic activity in the North by delivering high-quality new developments, it is vital that they consider the provision of some form of additional discretionary grant, available to both the public and private sectors to aid and unlock unviable sites in the North of England."

As I have highlighted before Britain has both a growth and an investment problem.

Analysis shows total annual investment in the UK, as a share of GDP, has been on average four percentage points below that of other G7 economies since 1990.

Further analysis from the Institute for Public Policy Research (IPPR) shows public investment (by national, local, and devolved governments) is low and has never been above average for the OECD.

After decades of failing to build new infrastructure and housing at a much lower rate than neighbouring countries there is a huge opportunity for the new UK government to unlock greater public and private investment and unleash a building boom which delivers higher growth in the short-term and the long-term.

This would help propel the government forwards to reach its milestone securing the highest sustained growth in the G7.

As Kate Jennings says: ***"The real test now is whether these proposals actually lead to faster decision-making and delivery. To make faster decisions, local authorities need to be resourced effectively, which includes both adequate funding and workforce capacity."***

As Public Practice have highlighted: More than half (55%) of planning and placemaking professionals say their teams lack the capacity to meet strategic goals beyond their minimum statutory responsibilities.

While these reforms set up the system to deliver growth councils also need the right resources in place to enable these reforms to work effectively.

The acid test will come when the data shows that more planning applications are being lodged and more planning applications are being passed.

If it fails to deliver greater development then the die will have been cast for the futures of millions more people in the UK and it will also have been cast for the future of this government administration.

We desperately need to upgrade Britain's ageing infrastructure and improve the prospects and life chances of the people who live here.

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