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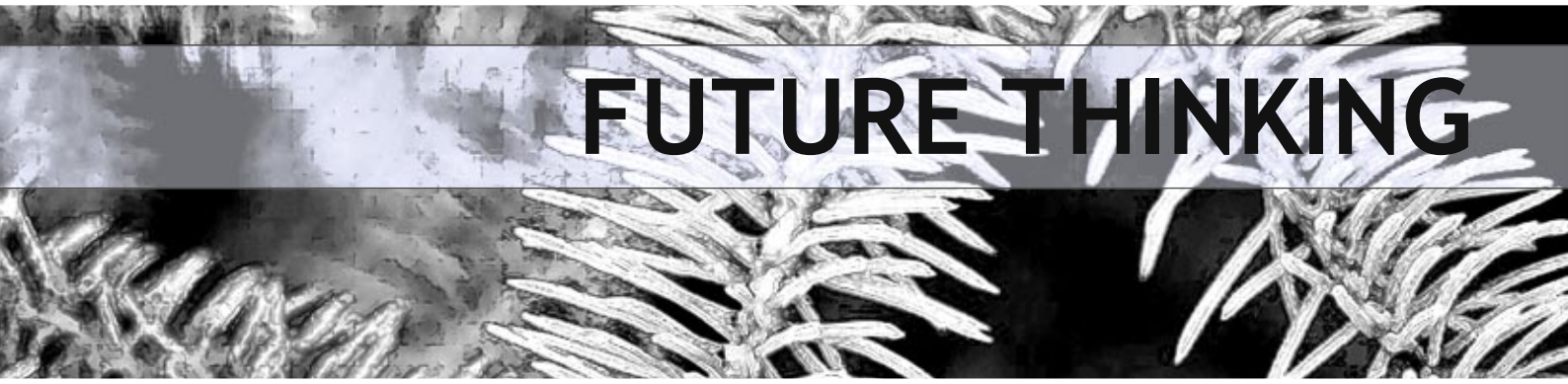

FUTURE THINKING

YVONNE RYDIN

IN PURSUIT OF SUSTAINABLE DEVELOPMENT

Rethinking the Planning System

IN PURSUIT OF SUSTAINABLE DEVELOPMENT: RETHINKING THE PLANNING SYSTEM

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Using the planning system to help achieve sustainable development is a stated goal of government policy set out in *Planning Policy Guidance 1* (1997), the Sustainable Development Strategy *A Better Quality of Life* (1999) and the *Planning Green Paper* (2001). Indeed, the current *Planning and Compulsory Purchase Bill*, under Clause 38, would require those responsible for preparing plans (regional spatial strategies and local development documents in England and local development plans in Wales) to exercise their functions 'with a view to contributing to the achievement of sustainable development'. Many practising built environment professionals are committed to using the planning system to further such ambitions and a number of academics have carved out a new area of analysis linking planning and sustainability.

However, to date, most of these statements of policy and analyses of planning have either taken the form of hopes for what the planning system might achieve or been critical examinations of why the planning system is failing; Owens and Cowell's study (2001) deserves a special mention here in the latter category. This RICS Foundation paper offers the opportunity for more creative thinking about what the planning system should look like if it is to make a mark in terms of the sustainability agenda. In doing so the author has taken inspiration from those who have outlined visions for sustainability planning, but has also attempted to understand and respond to the limitations that more critical analysts have identified.

INTRODUCTION

The paper has five sections. In the first section, I discuss this complex goal of sustainable development, hopefully adding some clarity but also pinpointing the difficult task that this goal sets us. I then set out my understanding of the planning system, how it works and the tools that are available to planners, talking in broad terms, although my reference point is the British planning system. This second section also explores the limitations of the system. The third section constitutes my analysis of how the different tools available within the planning system interact with the goal of sustainable development and what this tells us about the need for change in that system. Fourth, I provide some comments on the institutional capacity of current governmental systems to deliver on this policy goal and the implications of also striving towards greater stakeholder or public involvement in the policy process. In the fifth and final section, I consider whether the concept of environmental sustainability might not provide a better goal for the planning system, before summing up my conclusions.

THE ELUSIVE GOAL OF SUSTAINABLE DEVELOPMENT

There remains considerable confusion about exactly what is meant by 'sustainable development', particularly among those 'at the coalface' charged with changing their practices in order to achieve it. In addition, sustainable development does not have much resonance with the general public. It is perhaps surprising that, some fifteen years since the publication of the *Brundtland Report* in 1987, such confusion and ambivalence still persists. Policy makers and politicians have found it easier and politically more prudent to rely on the inherent ambiguities of the concept rather than risk finding themselves tied to a clear and precise definition. Tuxworth (2001) argues that there has been a deliberate withdrawal into the abstract and academic in order to avoid the hard work of communicating the concept.

Some clarity is certainly needed if the policy goal is to be clearly communicated to practitioners and the public. Furthermore, the advantages of ambiguity during policy debate and formulation are counterbalanced by the problems created during decision-making and implementation. Ambiguity also prevents, at the end of the day,

THE DISTINCTIVE ELEMENT CENTRAL TO THE CONCEPT OF SUSTAINABLE DEVELOPMENT IS ITS HOLISTIC AND INTEGRATIVE NATURE

a real impact being made on the environment, our quality of life and the sustainability of our everyday patterns of behaviour. Therefore, I begin this paper by briefly considering the concept of sustainable development and trying to provide this clarity, before going on to discuss the specific role that the planning system can play.

The distinctive element central to the concept of sustainable development is its holistic and integrative nature. It tries to combine a focus on the environmental, the social and the economic, all at the same time. The question thus becomes how to combine these three elements.

Some quote the Brundtland Commission's definition (WCED 1987), with its emphasis on inter-generational equity (future generations having equal standing to ourselves) and intra-generational equity (everyone within each generation having their basic needs met). However, this definition still remains somewhat opaque. It is usually interpreted as offering the prospect of combining economic growth (for the benefit of current and future generations) with a safeguarding of ecological resources. As such, it calls for more careful economic development that takes environmental protection into account, respecting the constraints that ecological systems ultimately place on economic activity and the positive functions that the environment performs for us. The social dimension is considered covered by the benefits that economic development itself brings.

Understood in these terms, many planners might ask: so what is new? This is close to many people's understanding of what the planning system has always been aiming at.

The answer to this question is twofold. First, there has been a considerable improvement in our understanding of ecological systems and the role that they play. This should enable more effective planning of economic development with environmental protection and integrity in mind. However, part of our increased understanding has taken the form of appreciating the uncertainty associated with environmental knowledge. The impact of thresholds in ecological systems, of cocktail effects, of the aggregation of small changes, of irreversibility, all mean that environmental knowledge is as much about risk as it is about hard and fast causalities and outcomes. So planning for more 'careful' economic development in the light of such environmental knowledge is not easy.

Second, the Brundtland definition comes from a rather specific background, one concerned with the plight of less developed countries and the attempt to eradicate poverty. When the report argues for economic development, it is explicitly arguing for a new kind of economic development, one that allows all groups within society to benefit from economic activity (whilst also taking ecological systems into account). Continuing existing patterns of economic growth is definitely not what the Brundtland Commission had in mind. However, it is difficult to unpack this definition with any further precision. To do so requires a view of how economic development works and the scope that exists for changing prevailing patterns. Fierce debates rage about such questions and the potential paths that economic activity can realistically take. Implicit (and sometimes explicit) in such debates are arguments about power and who benefits from prevailing economic development paths. This is dangerous terrain. Hence, most policy documents that make reference to this Brundtland definition rarely actually engage with this call to find a radically new mode of economic development. Certainly the planning system, interfacing with economic development at the point of creating new physical development in the built environment, has not sought radically alternative modes of providing this development. Rather it has sought to meet social needs through marginal adjustments to contemporary patterns of urban development, as with the exercise of planning obligations (discussed further below).

Given these difficulties in the Brundtland definition, there has been a tendency to adopt instead a 'triumvirate' model, in which the three dimensions of the social, economic and environmental are set out separately and considered in relation to each other. Of course, doing so does not stop the arguments. There are disagreements, for example, between those who see the three dimensions as being on a par (as represented visually in a Venn Diagram) and those who see the environmental as the dominant dimension, setting the prerequisites for the others (as represented in a Russian Doll diagram). Figures 1a and 1b illustrate these two approaches.

Many policy commentators like this emphasis on explicitly combining the three

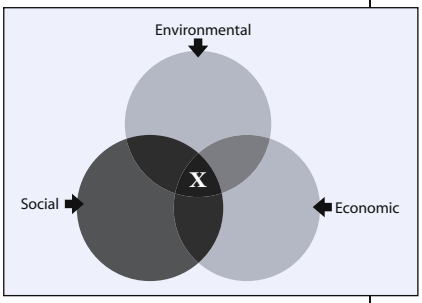

Figure 1a: The Venn Diagram model of sustainable development

X = area of overlap defines 'true' sustainable development; any other area of overlap represents some movement towards sustainable development

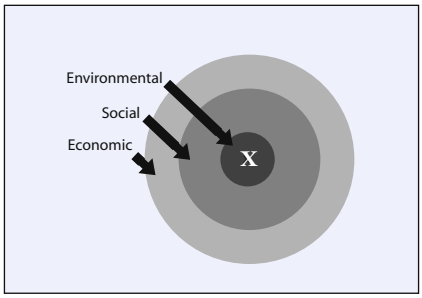

Figure 1b: The Russian Doll model of sustainable development

X = sustainable development has environmental concerns at the core, then takes on board social and then economic considerations

different dimensions. Examples include the Local Government Act 2000 enabling local authorities to undertake any actions contributing to their area's economic, social and environmental well-being and the requirement that Community Strategies are oriented towards this tripartite goal. Again, the ODPM's note on sustainable development and planning chooses to reinterpret the *Brundtland Report*'s definition in terms of taking 'full account of the long term social, economic and environmental impacts of proposed development' (2003b). There are a number of potential drawbacks to this approach.

First, it works by seeing the economic, social and environment as separate elements. The aim becomes one of combining these three elements to achieve the best outcome. This can be seen as compensating a decrease in one (say, damage to environmental assets) with an increase in another (say, more economic development). The planning system finds resonance in this approach. It has long seen its role in terms of balancing competing goals in the public interest. However, the goal of sustainable development is not to trade-off the social, environmental and economic in this way but rather to find new outcomes that provide win-win or even win-win-win scenarios, combining more of the social, environmental and economic at the same time.

The planning system can also argue that it seeks to achieve this. Development plans seek to find development patterns that meet multiple demands and negotiations around development proposals to improve outcomes in multiple ways are at the heart of planning practice. The 'three dimensional' view of sustainable development merely provides a more explicit model for doing so. It recasts planning practice as the search for win-win scenarios, particularly those that allow environmental and economic benefits or social and economic benefits to be achieved simultaneously. There is even the possibility of finding win-win-win scenarios that achieve all three benefits – economic, environmental and social – at the same time.

Current attempts to identify and negotiate such scenarios place the emphasis on particular projects; specific areas; individual cases. The real challenge is to embed these synergies within the economic system so that economic development automatically delivers win-win or win-win-win scenarios. The hope of embedded environment-economy synergies has been termed ecological modernisation. Its major theorist, Jänicke (1990, 1997), has spent much intellectual effort setting out the kind of government programme that would be required to embed ecological modernisation in this way. He has put particular emphasis on eco-taxation reforms, changing the financial incentives to encourage win-win scenarios on a routine basis. One question that this raises is whether the planning system can also be reformulated to promote ecological modernisation in this way.

However the interaction between the environmental, economic and social is conceptualised, it is important that the hurdle for achieving environmental or social goals is not set too low. One danger of the triumvirate approach is that any amount of environmental protection or any social gain can be considered sufficient to offset any amount of economic activity. This clearly runs the risk of tokenism. To counter this, the emphasis can be shifted away from the aggregate social and/or environmental impacts of economic development to considering the ratio of these impacts to the level of economic gain. The ratio of environmental impacts to economic output has been termed the environmental impact coefficient by Jacobs (1991); a similar social impact coefficient would refer to the ratio of social impacts to economic output.

While it could be difficult to put such coefficients into operation, such an approach would throw the policy emphasis onto trying to raise the environmental *and* social impact coefficients of development. This means that a continuously increasing amount of social and environmental benefit would be expected from economic development.

Other questions facing the planning system are, how exactly can these coefficients be raised, how can continuous improvements be achieved in these coefficients and how this can be achieved not only sometimes on selected projects but on a continuous basis. If these questions could be answered, it would be a considerable contribution to embedding sustainable development in our economy?

The kind of task that is being asked of the planning system here is a dynamic one. It is not just about environmental protection but also about using the planning system to force change in economic processes. It is akin to the technology-forcing role that we have come to expect pollution control systems to play.

This is perhaps a rather more ambitious role for planning than we have been used to. Planning has traditionally sat more comfortably with a regulatory remit aimed at conservation and protection. It will need considerable reform if the planning system is to adopt this more dynamic and challenging role.

So far the discussion has been about sustainable development in terms of outcomes. There is also the important issue of how these outcomes are delivered. For sustainable development, as the Brundtland Commission emphasised, is not just about outputs and impacts. It is also about the way that the policy

THE PLANNING SYSTEM WILL NEED CONSIDERABLE REFORM IF IT IS TO ADOPT THIS MORE DYNAMIC AND CHALLENGING ROLE

CAREFUL ATTENTION SHOULD BE PAID TO IMPLEMENTATION AND THE PROSPECTS FOR USING THE TOOLS THAT THE SYSTEM OFFERS TO ACTUALLY ACHIEVE POLICY GOALS

process is conducted. There are two aspects to this. From a governmental perspective (that is, a focus on how governmental organisations work), achieving sustainable development requires organisations to have the institutional capacity to deliver on their policy goals. From a governance perspective (that is, considering the relationship of governmental organisations to other organisations and groups outside the state), it is also important to involve all those with an interest in sustainable development. This means that the policy process needs to involve all stakeholders, both in the actual process of making policy and the implementation of that policy.

This puts two more demands on the planning system: effective delivery and an inclusive policy process. While many criticise the way that the planning system handles participation, it is clear that it does already operate with a degree of openness and transparency. The question is whether this is sufficient and how it can be enhanced.

The ability of the planning system to deliver effectively may be more in doubt. This means that, in the discussion of planning and sustainability, careful attention should be paid to implementation and the prospects for using the tools that the system offers to actually deliver policy goals. With these issues in mind, I now turn to the planning tools that the planning system has available to it.

POLICY TOOLS AND THE PLANNING SYSTEM

The term 'planning' has many general meanings and it is tempting to transpose these onto the British planning system. In fact, the planning system is rather specific in nature. It has certain powers and potential and also certain limitations.

Figure 2 sets out the way that the planning system works. It is primarily a means for influencing the pattern of new development and, thereby, the shape of the built environment. In doing so there are a number of points at which slippage between policy objectives – set out in planning policy statements – and the nature of that built environment can occur.

First, there are the implementation problems arising from the tools that the planning system has available and the ways that these tools are actually put into practice. The tools of the planning system are:

- *Developing a **strategy framework** to guide investment by developers and infrastructure agencies*
- ***Regulation** of new development through development control (and building regulations)*
- ***Negotiation** of changes to development proposals in the course of development control*
- *Agreeing **planning gain** during the course of development control*
- ***Land transfers** to guide new development, as exercised by development corporations (used in both New Towns and Urban Development Corporations in the past and likely to be used to fulfil the Office of the Deputy Prime Minister's plans for new settlements, 2003a)*

These tools are able to exercise some influence on new development and the built environment but they are a limited set. In particular, it is notable that they rely heavily on discretion and case-by-case implementation. They also do not reflect the recent shift towards market-based instruments in achieving environmental and sustainable development policy goals. This will be discussed further below.

Second, these planning tools are not the only influence on new development. They have to be ranged against the influence of market pressures, such as land ownership, development finance and market demand. In some circumstances, notably where there is pent up market pressure for development, these planning tools have been shown to exercise some power, but in many other situations the planning system is only one, perhaps relatively minor factor in determining what gets built, how, when and where. This is true both of the broad patterns of development and the detail of specific developments.

Third, even where the planning system does significantly influence the pattern of new development, that is only a slow-burn influence on the overall built environment. The contribution of new development to the built stock varies over time and in different locations. In some places it will be high and the role of planning in determining our experience of our environment will be readily apparent. In other places the influence of planning will take many years, even decades, to become apparent.

Of course, the impact of planning in preventing development and conserving the existing environment also has to be considered, but as I have indicated above, the challenge of sustainable development is to find paths for changing social and economic processes; it is not just about preserving aspects of the existing environment.

This brings me to the fourth weak link. Even where planning can preserve valued parts of the environment, this only results in the existing physical environment being protected from new development. The planning system has little to offer, on its own, concerning the management

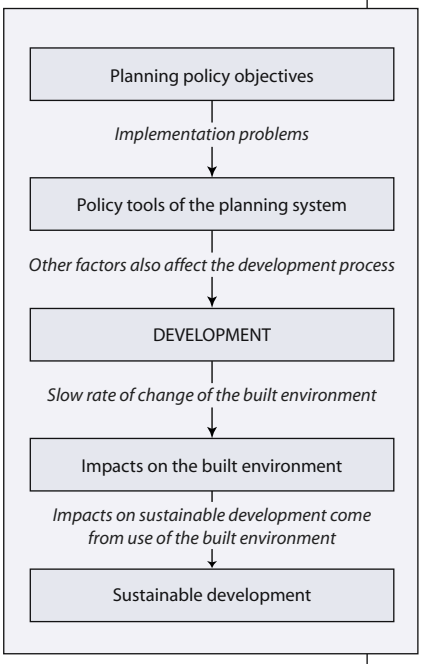

Figure 2: How the planning system works

The boxes identify the stages by which planning policy impacts upon sustainable development. The items in *italics* identify the weaknesses in the links between the stages

of that land and associated environment. Yet this is often centrally important in determining the contribution of that physical space to environmental systems and to our quality of life. More generally, the shape of the built environment is only one element in generating (or inhibiting) sustainable development. It is generally not the physical environmental itself that is significant but the use that society makes of it. It is our behaviour in the context of the built and natural environment that actually determines the level of sustainability. Planning is therefore a rather oblique way of influencing behaviour.

This brings me to consider how the planning system does impact on sustainable development and what changes would be necessary to improve that impact in a positive direction.

ANALYSING THE POTENTIAL OF THE PLANNING SYSTEM FOR ACHIEVING SUSTAINABLE DEVELOPMENT

In Table 1 I have examined the various tools available to the planning system against four aspects of the pursuit of sustainable development identified in my discussion above:

- *the desire to create win-win or even win-win-win scenarios at the level of the area, the project or the specific development;*
- *the attempt to embed within economic systems dynamics that will contribute to sustainable development on a continuing basis;*
- *the existence of institutional capacity to deliver on policy goals; and*
- *the scope for stakeholder involvement.*

I will comment on each of these in turn.

Strategy development

This is the core of development planning activity within the planning system. For many it offers the potential to co-ordinate the decisions of different actors on a rational basis, in this case in pursuit of sustainable development. It does so through providing a vision of a spatial area such as a village, a district, a city or a region. Such a vision can show how these areas would look if they were to contribute to sustainable development. This envisioning of sustainable development is not really sufficient on its own however; a plan needs to be implemented. This can happen in three ways.

First, there is the possibility that the vision is sufficiently compelling that actors alter their decision-making to accord with it. This is not that likely. Fifty years of comprehensive land use planning have shown that development plans do not implement themselves.

Second, there is the hope that the vision has been arrived at by agreement between all key parties so that they feel bound by it. This is the hope of those advocating greater stakeholder involvement in plan and strategy-making. However, there is often a gap between involvement in strategy development and actual commitment to the strategy. Responding to consultation invitations and taking part in a public examination does not commit many developers to the final development plan. More inclusive stakeholder sessions, such as those envisaged for Community Strategies, are not necessarily any more binding. In any case, inclusion cannot really mean everyone who might eventually feel affected by the strategy.

In addition, the rather abstract nature of plan-making often limits the actual involvement of stakeholders, both in terms of quality and quantity. Participation is notoriously more pronounced when specific projects rather than broad strategies are involved. On plans, involvement may be token, conditional or simply absent. Therefore, the third option is usually preferable, that is where the plan is backed up by other policy tools (see below) that give it more weight with key actors.

The successful implementation of strategies is essential for them to have any impact on sustainable development. In particular, influence on infrastructure providers (particularly water and transport) is a key aspect of ensuring the sustainability of planned development patterns; as the House of Commons Select Committee has recently noted, a new settlement without public transport and *in-situ* measures to conserve water and reduce water demand cannot be sustainable in any terms. If such measures are implemented then they do hold out the prospect for embedding incentives in the development process; otherwise they remain pious hopes.

Institutional capacity is, therefore, rather shaky and stakeholder involvement often remains questionable. Despite central government's claims, it is hard to see how development planning can really make a major contribution to sustainable development.

Land transfers

The history of British planning has shown that land transfers can be an extremely effective way of directing development to particular locations and, more importantly, of using the power of land ownership to shape the nature of development. It is particularly effective in shaping specific projects; by its very nature its impact is constrained to the extent of the land involved. This therefore tends to shape specific developments and projects, not whole towns or areas, unless the land in question is unusually extensive.

DESPITE CENTRAL GOVERNMENT'S CLAIMS, IT IS HARD TO SEE HOW DEVELOPMENT PLANNING CAN REALLY MAKE A MAJOR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

STRICT REGULATION OFFERS THE PROSPECT OF ENSURING THAT A SPECIFIC CHANGE IN DEVELOPMENT PRACTICE WILL BE ENFORCED ACROSS THE BOARD

A structured impact can only arise from repeated use of this policy tool in pursuit of sustainable development, in a consistent manner, across a substantial number of sites and locations. For example, if a number of developments on publicly-controlled land instituted a radical new form of building that was more energy and water efficient (both in terms of construction and after-use), then this could potentially occur on a sufficient scale to induce economies of scale, alter the nature of the construction market and induce take-up on a broader scale in other areas.

One problem with land transfers is that they tend to reduce the extent of stakeholder involvement. There is a tendency for the land ownership role to make local planning quasi-commercial in nature. There has to be a very active commitment on the part of the authority or agency taking on the land ownership role to keep decision-making open, democratic and transparent.

Again the history of new town planning and of the urban development corporations of the 1980s and 1990s should act as a warning, as well as an example to the Deputy Prime Minister in his desire to use such vehicles to promote his vision of new communities in the south east of England (2003a). There is a real danger that stakeholder involvement will be traded off against enhanced institutional capacity to deliver win-win(-win) scenarios.

Regulation and negotiation

There are two ways of thinking about regulation. First, it can be considered as a relatively bureaucratic exercise in which discretion is relatively limited and the wording of the regulation tightly defines the decisions that can be made. Building regulations are often cited as an example of such regulation. Second, there is the kind of regulation that involves discretion and negotiation. In these cases decisions can be more finely tuned to specific circumstances. At the same time, it is much more difficult to ensure that any specific outcome is achieved. Development control falls more readily into this second category.

From a sustainable development perspective, strict regulation offers the prospect of ensuring that a specific change in development practice will be enforced across the board. However, win-win scenarios may be best achieved through negotiation within development control, since the features of each case will be different and the possible trade-offs and synergies will vary. For this to be practical, though, one has to be sure that a real effort is being made to strive for the goal of sustainable development. Negotiation can just as readily result in token amendments to projects in the name of sustainable development but little meaningful change. In particular, there is the danger that the pursuit of economic development in a specific area will reduce the willingness to negotiate.

	Project-based win-win(-win) scenarios	Embedded incentives for moves towards sustainable development	Institutional capacity to deliver policy	Stakeholder involvement	COMMENTS & PROPOSALS
CURRENT:					
Strategy development	Can only set aspirations for investment patterns.	Possible to set policies for this, but only if followed through in DC.	Heavily reliant on other planning tools to deliver strategy.	An opportunity for involvement but participation can be patchy.	Need to tie infrastructure investment to the strategy. Need effective visioning to encourage participation.
Land transfers (e.g. UDCs)	Substantial potential to achieve benefits through power of landownership.	More structural impact depends on application of policy across cases.	Landownership gives potential to deliver.	Stakeholder involvement tends to be constrained.	Need to ensure that goal of development does not skew pursuit of sustainable development policy goals.
Regulation (Development Control - DC)	Regulations, if consistently applied, don't generate the best win-win compromises.	With strict application a more structural effect be achieved.	There is a problem in delivering through DC because of the use of discretion.	Danger that participation could offset regulation in pursuit of sustainable development.	Suggests stricter regulations, with emphasis on less contentious aspects where possible.
Negotiation during DC	Potential to generate win-win(-win) scenarios if discretion appropriately applied.	Discretionary approach may undermine pursuit of a more structural impact.	Substantial experience in using discretion to deliver compromises.	There are issues regarding the transparency of negotiation.	Need guidelines to enhance potential of negotiation to deliver SD benefits in areas where strict regulation cannot.
Planning gain	As with negotiation, there is a high potential for win-win scenarios.	As with negotiation, there is a potential trade-off with consistent regulation.	The ability of planning gain to deliver is more contentious; depends on how it impacts on development profits.	Problems of accountability.	Planning gain tariffs could become a local planning eco-tax, but only if rates are applied locally. Otherwise an extension of negotiation in DC.
PROPOSED:					
Planning eco-tax	Less potential for individual win-win scenarios.	Significant structural impact if specific SD impact can be identified.	Not really a local planning policy tool.	Stakeholder involvement is irrelevant.	Good for targeting specific impacts of development.

Table 1: Mapping the tools of the planning system against the goals of sustainable development

There is a real policy choice here: to rely on consistent and strict regulation to embed change towards a specific aspect of sustainable development; or to rely on case-by-case negotiation to find innovative ways of influencing developments to maximise their contribution to environmental, social and economic goals simultaneously. For some aspects of sustainable development, such as enhancing energy efficiency, it may be best to find a way of achieving this in all developments by, say, increasing standards in building regulations (or using an eco-tax – see below). For other aspects, such as nature conservation, negotiation may be the better route. The planning system needs, however, to sort out which aspects of sustainable urban development need to be embedded and centrally established, and which can be left to local negotiation. For the former, regulation may need to be made stricter and less discretionary; for the latter, guidance to enhance the potential of local planners to negotiate in pursuit of sustainable development would be advisable.

In either case there are issues surrounding stakeholder involvement. Negotiation during development control has been criticised for its lack of transparency, though the continuing control by the democratically elected councillors rather reduces the impact of this criticism. Furthermore, the reality of much stakeholder involvement in development control is that it is firmly in pursuit of current self-interest and not always the longer-term public interest implied by the sustainable development concept. Participation, either directly or through ward representatives, could readily dilute the pursuit of particular sustainable development objectives. Perhaps a distinction needs to be drawn here between transparent and accountable planning decisions, which are surely always desirable, and unlimited stakeholder participation and indiscriminate stakeholder influence, which may skew decisions in undesirable directions.

Planning gain

In many respects planning gain is just an extension of negotiation within the planning system and many of the above arguments apply. The distinction lies in the potential of planning gain to raise financial revenue and the way in which it highlights the links between the ability of the planning system to achieve its objectives and the ability of the development process to generate profits. Evans and Bate's excellent report reviews many of these issues (2000). They point out that planning gain can assist local negotiation on developments, enabling outcomes that contribute to social and environmental objectives through what is essentially "a locally levied and controlled 'tax'".

Against this they list problems of delays, lack of in-house expertise in local authorities, and uncertainty for developers. Their discussion also highlights how the pursuit of revenue through planning obligations may skew the practice of obtaining planning gain, particularly where the money is to be used 'off-site'. This may result in planning gain being used to mitigate development impacts somewhere in the local authority area, but it does not necessarily support the negotiation of win-win(-win) scenarios on the development site. A shift towards impact fees or a planning gain tariff would only exacerbate this. They may help raise money (potentially used to offset development impacts) but they are not fine-grained enough as a policy tool to make a guaranteed contribution to sustainable development.

A further point to emphasise with planning gain is that the ability to extract it depends directly on the level of development profitability and, in particular, the impact of development on the land value, i.e. development gain. Where development is highly profitable and development gain contributes significantly to land values, then much more in the way of planning gain can be extracted. While this is fortuitous for local authorities in such areas, heavy reliance on planning gain to obtain sustainable development benefits is going to skew the distribution of more sustainable urban development. Are less prosperous areas to be consigned to a category of 'lesser sustainable development'? Even in one of the richest countries in the world, is the simple pursuit of conventional economic development to outweigh sustainable development policy goals in such areas? This seems politically unacceptable and yet would be the *de facto* result of relying too heavily on planning gain (and even negotiation) to achieve sustainable urban development, rather than looking for more structural solutions.

Planning eco-taxation

This brings me to a policy tool that is not currently available within the planning system but has been argued to have some potential. This is planning eco-taxation, or the creation of specific environmental taxes linked to the planning system. Again, the Evans and Bates report (2000) provides insightful analysis here. From their discussion a number of points are made clear.

First, any such taxation system (or indeed impact fee system) can be an effective way of raising revenue, which can then be used to achieve specific policy goals. Much of Evans and Bate's report examines the potential of a greenfield residential development tax to raise revenue for urban regeneration; (they actually favour changes to the VAT system in preference to this option).

Beyond this, though, taxes are a key way of altering the incentive structures facing actors. This gives them an additional benefit; they can embed

ARE LESS PROSPEROUS AREAS TO BE CONSIGNED TO A CATEGORY OF 'LESSER SUSTAINABLE DEVELOPMENT'?

changes in decision-making. A new or marginally increased tax may shift consumption and production decisions, provided that the market involved does not exhibit very inelastic demand or supply conditions relative to the incidence of the tax (in which case, more revenue is raised but less change in behaviour occurs). So taxes could be an effective way of changing development behaviour towards more sustainable practices.

To achieve this, there has to be real clarity about the desired policy objective and the tax needs to be tailored to meet this. A tax on less energy efficient new buildings would probably increase the energy efficiency of new build. Whilst it would not make any further contribution to sustainable development (depending on how the revenues were spent), this contribution would be clear, effective and targeted. The use of the policy tool would also be transparent, although broader issues of stakeholder involvement would be largely irrelevant.

The use of such targeted eco-taxes could be a useful supplement to regulation and negotiation on development proposals, allowing the more discretionary elements of the planning system to work towards individual win-win(-win) scenarios in the context of a central framework embedding certain incentives towards sustainable urban development. In effect this is extending the framework already provided by the aggregates and land fill taxes and the climate change levy.

INSTITUTIONAL CAPACITY AND PUBLIC INVOLVEMENT

The above discussion has already made several comments in passing on issues of institutional capacity and public involvement. It is worth bringing these together.

Regarding institutional capacity, it is clear that the ability to deliver is dependent on there being a policy tool available and there being a clear commitment (either mandated or at the level of local political commitment) to use that tool to achieve sustainable development. As argued above, the planning system needs to decide where it wishes to pursue synergies through negotiation and where it wishes to rely on strict regulation and eco-taxation to embed incentives for behavioural change. Where discretion and negotiation are being relied on, then there has to be some means of ensuring that policy objectives are not diluted by token gestures towards sustainable development. Where regulation and eco-taxation are being relied on, then the policy objective becomes very precise and targeted and there needs to be considerable clarity in how the policy goal is defined.

This way of thinking can be seen at work behind the ODPM's strategy for shifting development from greenfield to brownfield land. While couched in terms of 'building sustainable communities', this is in fact a very targeted and limited policy objective, stated in terms of a single target figure: 60% of new build to be on previously developed land. It is enforced through regulation and, in London and South East England where discretion within development control might dilute its application, the Deputy Prime Minister has issued a direction to ensure that this target is adhered to (ODPM Circular 01/02). This approach has a high level of institutional capacity to deliver; the question is whether it is the right policy target from a sustainable development perspective! Many are querying whether location of development on its own is the key factor in the way that is implied by this target.

This discussion of institutional capacity to deliver should be set against the context of a planning system that is essentially negative and reactive, by and large dependent on private developers coming to planners with development proposals. All the strategy frameworks and negotiation do not alter this basic fact. The history of the planning system has emphasised that more positive planning is mainly achieved when land ownership is used as a policy tool. This is a lesson that the Deputy Prime Minister has clearly taken on board with his use of special development bodies to promote his chosen growth areas in Ashford, Milton Keynes, Thames Gateway and London-Stansted-Cambridge. Again, the questions is whether the other elements of a sustainable development commitment are there or whether the economic is being prioritised over the social and, particularly, the environmental in promoting such growth.

What this highlights is the need to balance the choice and use of effective policy tools with a culture of sustainable development within government (at both central, regional and local levels) that takes the balance and integration of the economic, environmental and social seriously. In achieving this culture change, there is a further complication relating to the commitment to stakeholder involvement that is also part of the sustainable development agenda.

It is one of the acknowledged strengths of the planning system that it provides a 'window of opportunity' for stakeholders to participate in decision-making affecting their area (Rydin 1999). However, many of these opportunities are formalised and/or of limited attractiveness. The links between participation and policy influence are often unclear and this deters further participation. At the same time, there are more and more competing opportunities for involvement: most recently, the requirements for Community Strategies to be based on stakeholder involvement may impact on the willingness of these stakeholders to participate again in development planning. The formalisation

TAXES COULD BE AN EFFECTIVE WAY OF CHANGING DEVELOPMENT BEHAVIOUR TOWARDS MORE SUSTAINABLE PRACTICES

of stakeholder involvement in Local Strategic Partnerships may also rebound on broader participation by other groups in planning arenas if they feel that their contribution is being devalued.

For all these reasons, participation is not the straightforward issue within the planning system that it is sometimes portrayed as. In addition, there is a real danger – alluded to above – that local participation may dilute rather than reinforce the holistic and synergetic type of sustainable development that is being aimed for. Translating the sustainable development concept into a 'quality of life' agenda may increase public participation, but that may be at the cost of the sustainable development policy objective itself. In these circumstances, it may be that transparency and openness about decision-making is more desirable than fully inclusive participation.

WHATEVER HAPPENED TO ENVIRONMENTAL SUSTAINABILITY?

The above discussion has emphasised the challenges that the holistic 'three dimensional' concept of sustainable development poses for the planning system. It is worthwhile considering whether this is a policy goal too far and whether a more focused approach might not be more productive. It can be argued that environmental sustainability on its own would make a better focus for planning.

Many people already think that sustainable development is primarily about the environment (Tuxworth 2001). This is not surprising, given the close links between the climate change, deforestation and biodiversity agendas and the early publicity given to the concept by the *Brundtland Report* (WCED 1987) and the 1992 Rio Summit. Despite this, proponents of sustainable development have tended to argue that environmental sustainability is a limited and, therefore, less valuable concept.

It is worthwhile querying this argument. There are grounds for thinking that environmental sustainability might provide a better basis for planning policy action than full sustainable development. This is based on the view that the planning system does not have the policy tools available to deliver sustainable development and that this is a task better tackled at the level of national fiscal policies. There is considerable potential in the spaces for negotiation and public involvement that the planning system provides but both negotiation and public involvement also carry with them the risks of lowering the ambitions for sustainable development. Central government fiscal policies both prevent such local lowering of aspirations and carry the greater hope of embedding sustainable development within everyday economic decision making.

This does not mean that the planning system does not have a role to play in the broader sustainable development agenda. Rather that the role it could best play would be to ensure that environmental sustainability is achieved in local, physical development. Neither does is mean that achieving environmental sustainability would not pose a considerable challenge to the planning system on its own. What, then, would environmental sustainability mean in this context?

First, there is the challenge of adapting to existing and anticipated environmental change. This particularly concerns climate change and its impact in terms of altered temperature and rainfall patterns. The implications for planning are considerable: altered patterns of tourism, new flooding risks from sea-level rise and increased rainfall, coastline erosion and new requirements for nature conservation. Planning needs to be able to take on board these aspects simply in order to maintain a sense of the status quo (see EPSRC/UKCIP 2003).

Second, there is the enhanced appreciation of the role that environmental assets and services play in our economic and social life and the quality of that life. This throws an increased onus on the planning system to protect these environmental assets and services. According to this perspective, the planning system should weight environmental considerations more heavily, particularly where they might come into conflict with economic development. It may also mean specific actions to protect certain assets (such as important habitats and landscapes) and to ensure that the ability of the environment to deliver certain services (such as acting as a waste sink) is not diminished.

Third, environmental sustainability would require the planning system to go beyond a protectionist role and actively try and enhance the environment. This means taking action within its remit to create new environmental assets. It could also involve improving the ability of the environment to deliver services. For example, planning could plan for low-emission developments (in terms of greenhouse gases or emissions) in order to actually reduce the burden on atmospheric pollution sinks. The aim here is to alter our relationship with the environment so that 'we tread more lightly on the earth', as environmentalists put it.

This agenda is demanding but it is also fairly familiar to planning audiences. The idea of the planning system having the protection and enhancement of the environment as a core purpose is readily accepted, as is its role in ensuring that urban development is not adversely affected by predicted environmental change. The emphasis on rigorously pursuing environmental sustainability could be considered a sufficient and appropriate role for the planning

PERHAPS IT IS TIME TO RECOGNISE THAT THE PLANNING SYSTEM CANNOT MAKE A SUBSTANTIAL CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

system. Certainly, the Royal Commission on Environmental Pollution (2002) in their report on *Environmental Planning* suggested that the concept of sustainable development had not necessarily served environmental causes well, as it has diluted the attention given to environmental problems. There is a real concern that the protection of core assets and functions provided by the environment and an appreciation of the very real limits that environmental capacity places on socio-economic activity are being lost in the shift towards sustainable development.

Perhaps it is time to speak the heresy and recognise that the planning system cannot make a substantial contribution to sustainable development but it could, if the goal was restated, ensure that environmental sustainability underpins our urban development patterns. One potential criticism of such an approach is that social concerns would be downgraded. It is true that this emphasis on one dimension of sustainable development could result in a focus just on the environmental and economic aspects of urban development. This could be avoided by linking the environmental and social together in the way suggested by the environmental justice agenda. This would mean that, while environmental sustainability would be the prime concern of the planning system as it reacted to and planned for development proposals, it would explicitly consider the impacts of its decisions on the different social groups in society (Agyeman, *et al* and Evans 2001). It could be argued that such a sequential approach – considering environmental sustainability first and then checking for environmental justice implications – could also provide a better-focused approach to social issues. In this context, it is unfortunate that the current Planning and Compensation Bill makes no reference to environmental justice. The ODPM's note on planning and sustainable development explicitly mentions 'access to justice' (2003b), but this is essentially a procedural rather than substantive point and is, in any case, one of far too many points that are raised in this note.

Clarity and simplicity, not a 'kitchen-sink' approach, will best serve sustainable development and hence, in the long term, all our interests.

CONCLUSIONS

This discussion has deliberately sought to dispel some common nostrums about sustainable development and planning and propose some new directions. The key conclusions of this paper are:

- *Development planning and strategy development are only of significance to the pursuit of sustainable development if they are linked to implementation through specific and effective policy tools and through infrastructure investment.*
- *Land ownership by local authorities and public agencies is a highly effective way of implementing policy but requires safeguards in terms of transparency, openness and democratic control.*
- *There is a trade-off between ensuring that specific policy goals are achieved across the board in all planning cases and allowing for win-win(-win) scenarios to be identified in specific cases through negotiation and discretion.*
- *The planning system should decide explicitly those aspects of sustainable development that could be best achieved by negotiation and planning gain and those where strict regulation would be more appropriate.*
- *Setting tariffs for planning obligations would not of itself benefit sustainable development (except through the appropriate expenditure of revenues raised).*
- *Carefully devised eco-taxation, on the other hand, could help embed changed developer behaviour to the benefit of sustainable development.*
- *In all cases, a local commitment to achieving all dimensions of sustainable development (economic, environmental and social) is a prerequisite to effective policy change. Otherwise, tokenism is the most likely outcome.*
- *Public participation may dilute this commitment to sustainable development. It may, therefore, be more appropriate simply to emphasise transparency, openness and accountability in decision-making.*
- *Given the complexities of the sustainable development policy goal and its lack of salience, it may be more appropriate for the planning system to adopt the goal of environmental sustainability. This would encompass planning for anticipated environmental change, protecting the environment for future generations and actively generating environmental benefits from development.*
- *A link to social dimensions could be ensured by prioritising environmental justice concerns in planning decisions.*

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