

# Housebuilders to confront Prescott over summit jibes

Angry housebuilders reject Prescott's claim at last week's urban summit that they are holding back regeneration.

by Mark Leftly

HOUSEBUILDERS are holding a meeting with the government next week to rebut claims by deputy prime minister John Prescott that they are hindering regeneration.

The House Builders Federation has arranged to see officials from the Office of the Deputy Prime Minister next Friday to express concerns over Prescott's comments at last week's urban summit.

During his keynote speech at the conference Prescott attacked housebuilders over low housing densities on developments, particularly in the South-east. He is also known to believe that developers are sitting on land banks to raise the value of land.

Prescott warned developers against submitting low-density housing applications in the South-east,



Playing to the gallery: Prescott refurbished his left-wing credentials, but incurred the wrath of housebuilders.

**The cause of the housing crisis lies in the failure to address the inefficiency of the planning system**

HBF spokesperson

saying his department would call in such applications and subject them to planning inquiries. He said: "I am taking steps to ensure that housing developments in the South-east will be at more than 30 homes per hectare."

An HBF spokesperson said the government needed to shake up the planning system before criticising the housing industry's record. He said: "As land is the single most

expensive component of any development, the notion that developers use it in a profligate or wasteful manner makes no sense. The real inefficiency resulting in Britain's housing crisis lies in the government's failure to address the inefficiency of the planning system. That alone decides whether homes can be built or not."

The HBF will also make clear that Prescott's warning on calling in

low-density schemes must not mean that such projects will be banned altogether in the South-east.

Colin Cole, deputy managing director of Westbury Homes, also dismissed Prescott's claims. He said: "The notion that we are not using land to get the best out of it is obviously wrong. Our business is to buy land and get it through the planning process."

Stephen Brazier, group operations

director at Bovis Homes, called on the government to clear up confusion over the planning green paper. He said: "Local authorities in particular are struggling to interpret government planning policy at the moment because of the uncertainty surrounding the paper. It's bizarre that we are building fewer homes now given the underlying strength in the marketplace."

He said the government's decision to concentrate housing in key areas, such as Ashford in Kent and Stansted in Essex, was positive. "There has been an important sea-change as the government recognises there is a need for greater housing in employment opportunity areas such as the South-east."

The Thames Gateway London Partnership, which is attempting to co-ordinate the regeneration of the Thames Gateway, added that it was concerned that the summit did not address the importance of transport in delivering regeneration. It will meet Prescott on 26 November to outline its concerns.

TGLP chief executive Tim Williams said: "We are happy with the growth agenda and we are happy to push density up. But we need commitment on transport like CrossRail, a new river crossing at Beckton and Docklands Light Railway extensions."

Prescott also said in Birmingham that he would in effect merge the Housing Corporation and English Partnerships to help deliver homes. **ⓐ Roger Humber, page 33**

## Stern Mr Prescott gives industry a real caning



SKETCH BY MARK LEFTLY

DEPUTY prime minister John Prescott waltzed into the International Convention Centre at Birmingham with chalk, blackboard and cane in hand. "Listen up," he instructed his regeneration pupils. "You housebuilders have been very, very naughty indeed and I'm going to punish you and humiliate you in front of the whole school."

The deputy head, who admitted in passing that head of economics Gordon Brown was the real number two at his school, said the cane would come out for any schemes in the South-east proposing fewer

than 30 dwellings per hectare.

Sorry sir, but housebuilders have already learned the lessons of higher densities – just look at Countryside's plans to double the density at the Greenwich Millennium Village in south-east London. What you're teaching them now is that urban sprawl is fine outside of the South-east.

Prescott appeared to be one of those super-teachers that new Labour has been gabbling on about, as he loves testing and setting targets. Just listen to this target he and his class have met: "We

promised in the urban white paper that we would have this summit within two years. We have."

Pardon us if we don't rapturously applaud the achievement of convening a staff meeting.

Meanwhile, the housebuilders and regeneration experts at the back of the classroom were muttering that the regeneration master could be taught a few lessons himself.

What about the Key Stage 1 test for getting more houses – sorting out the disastrously slow planning system? And instead of calling for "step-change" and

## Battle over Thames Gateway site

A FOUR-WAY BATTLE has emerged over one of the key areas pencilled in for the regeneration of east London's Thames Gateway, writes Mark Leftly.

The result is that the development of the Barking Reach site has stalled because of the differences of opinion between the local council, Bellway Homes, the Docklands Light Railway and the Greater London Authority.

The site is considered vital to kickstart the regeneration of the Thames Gateway, which deputy prime minister John Prescott believes is essential to tackle the housing shortage in the South-east.

The disputes centre on the construction of a PFI-funded secondary school and the density of the planned housing development. If these two issues are not resolved rapidly, they could lead to greater delay.

This would put at risk the progress already made on the scheme, where the early stages have been developed and only the detail of later phases remains to be finalised.

On the school issue, Barking and Dagenham council wants Bellway to give it an 11 ha site at Barking Reach to develop a PFI school, which is central to the overall project. Bellway has yet to cede this land and it is believed that the council would be unable to go ahead with the PFI deal if it is unable to obtain the site from Bellway in the next few months.

Bellway is also in talks over the density of housing in the overall masterplan. London mayor Ken Livingstone wants 10,000 new homes as opposed to the 6000 initially pencilled in. Bellway will only agree to the higher figure if it receives a guarantee that the Docklands Light Railway link will be extended to Barking.

But the DLR will only agree to construct a station at

Barking Reach if high levels of housing, and therefore potential passengers, are guaranteed.

Project observers believe this disagreement is creating a hiatus that is hindering the deal to give Barking council land for the PFI school. A source close to the council said: "The whole thing is a chicken-and-egg situation. The DLR is reluctant to go to Barking if it doesn't know sufficient housing is going to be there. Bellway seems reluctant to hand over the land for the school until the density issue is sorted."

A spokesperson for Bellway Homes said: "Bellway is fully committed to the delivery of the site for the Jo Richardson school. Negotiations with the council have been under way for some time and could be concluded in the near future." The spokesperson added: "We see the minimum development will be 6000 houses and the maximum will depend upon the infrastructure available during the lifetime of the project."

Meanwhile, the government's recent authorisation of English Partnerships to speed up the redevelopment of Barking Reach is being seen as a fillip for the project.

**The whole thing over density and transport is a chicken-and-egg situation**

Source close to Barking council

## Brown: 2000 areas to get planning aid

CHANCELLOR Gordon Brown used the summit to unveil the creation of 2000 "enterprise areas" to encourage economic and physical regeneration in deprived neighbourhoods.

The areas will be exempt from stamp duty on business properties and incorporate business planning zones that will not require planning permission for developments.

Brown said the decision to create these areas showed that the Treasury was determined to concern itself with issues previously seen as outside its remit.

He said: "I think most of you would agree that 50, 20 or even 10 years ago, the idea that the Treasury would be interested in issues like public space, the design quality of public procurement in urban areas, devolution, regionalism and social inclusion would be almost unthinkable."

But Chris Brown, chief executive of the Igloo regeneration fund and a member of the urban taskforce, was less impressed. At a fringe meeting entitled "How do we develop the right skills?", he argued that regeneration was being undermined by the skills crisis.



Brown: New enterprise areas to benefit from tax and planning breaks.

In particular, he said that the government had failed to produce the centres recommended by the taskforce to help local authorities and the private sector develop skills. "There are no centres of excellence and virtually no leadership from the Office of the Deputy Prime Minister, and before it, the Department for Transport, Local Government and the Regions."

Chris Brown said it would take at least 10 years to develop skills to deliver an urban renaissance, and called on government to underwrite the establishment of skills centres.

Karen Yeomans, a director at Advantage West Midlands, announced that the regional development agency would launch a skills centre next year.

ⓐ US-style tax break talks, page 20