

WORKSHOP 2 THE LIMITS OF ECONOMICS

What price the Green Belt? As both bastion of the countryside and monumental constraint on development, the Green Belt brings the equation of political and economic values into high definition. On the one hand it holds the tantalizing prize of a potential solution to the housing crisis. On the other hand it holds the prospect of political ruin for any administration which openly questions its sanctity.

The value of the Green Belt has been tested and even redefined by recent legislative and economic changes. In 2011 the draft National Planning Policy Framework (NPPF) introduced a 'presumption in favour of sustainable development' as a 'golden thread' running through the planning system. The draft echoed the infamous Thatcherite Circular 22/80 in shifting power from the plan to the market, and seemingly giving short-term economic considerations greater weight than social or environmental concerns.

The Treasury's heavy-handed attempt to unlock the Green Belt's economic potential brought its political value into sharp relief when the backlash to the draft NPPF reached the front page of the Telegraph. The newspaper's Hands Off Our Land campaign swayed the Coalition to row back in support of the countryside, which David Cameron promised "I would no more put that at risk than I would put at risk my own family." The revised and final NPPF goes out of its way to stress the level of protection for the Green Belt is unchanged:

"As with previous Green Belt policy, inappropriate development is, by definition, harmful to the Green Belt and should not be approved except in very special circumstances."

(Paragraph 87 of the NPPF)

Publicly, the presumption in favour of sustainable development has been recalibrated to balance economic, social and environmental sustainability. But in practice,

the NPPF's greater emphasis on viability multiplied by an acute housing shortage and depressed market has meant more quantifiable economic measures have trumped social and environmental aspects. Simon Jenkins, chairman of the National Trust, describes how the NPPF encourages a short-term view of economic viability that risks unnecessary development of greenfield and Green Belt sites:

"The government's definition of sustainable is in practice being interpreted as profitable, and has effectively killed the former planning presumption in favour of brownfield land. What is now happening is a policy of let rip, leading to steady erosion. For the first time in British planning history, planning control is now the slave not the master of profit."

It is now spreadsheets, not blueprints, that are projecting change in England's built environment. However National Planning Policy Guidance accepts there is no standard answer to questions of viability, nor is there a single approach for its assessment. Viability appraisals are presented with the unquestionable authority of science, but practitioners understand them as more of an art. So shouldn't viability be subject to the same critique and creativity as other more visible aspects of the planning process? Shouldn't architects learn how to harness the power of viability as a design tool?

This workshop will challenge the assumptions underlying viability to invent alternative economic models for the Green Belt - in other words, creative accounting.

The workshop begins on Tuesday 18 February with an introduction to viability and development economics by David Carlisle, Principal Planning Consultant at URS. Students will be equipped with an understanding of the mechanisms behind a basic viability appraisal model.

ADS2 CITY LIMITS 2013-4

TASK 1

Collect average values, costs and measurements relating to your site and programme in advance of Thursday 20 February. For example land values, build costs (see BCIS), professional fees, finance and legal fees, comparables for all forms of income including sales, grant/subsidy, and rental income (see Zoopla / Rightmove / Propertylink).

TASK 2

Test the viability of your proposed scheme, challenging one aspect, input or assumption of the viability model. For example, how long should a building be designed to last? Who should pay for it and how? How could land value be captured? How should infrastructure be delivered? How could development be taxed? How could risks be reassessed? How cheaply is it possible to build? Can a building increase in value with time?

TASK 3

Illustrate your alternative viability model as a visual equation, drawn only in Microsoft Excel. This diagram should communicate both the concept of the economic model you are proposing, as well as the mechanics of the viability appraisal. Consider the aesthetics of economics, from statistical charts and infographics to powerpoint presentations.

TASK 4

Pitch your economic model in a maximum of 2 minutes to an expert panel of Patrick Clarke, Technical Director Strategic Planning & Urban Design at URS, and Martyn Evans, Creative Director at Cathedral. Use your visual formula (Task 3) to explain the concept, and describe how this relates to your emerging design project. The panel will be looking for approaches that combine intelligent design with plausible economics to redefine what is viable in the Green Belt.

REFERENCES

Beta National Planning Practice Guidance

Brickstarter, 2013, Helsinki Design Lab

Elemental, 2012, Alejandro Aravena & Andrés Iacobelli

Fideicomiso, 2012, Elias Redstone

Financial Viability in Planning, RICS

Odd Lots: Revisiting Gordon Matta-Clark's "Fake Estates", 2005, Jeffrey Kastner

Plus, 2004, Druot, Lacaton & Vassal

The Cognitive Style of PowerPoint: Pitching Out Corrupts Within, 2003, Edward Tufte

The Visual Display of Quantitative Information, 1983, Edward Tufte

Viability Testing Local Plans, Local Housing Delivery Group

TIMETABLE

TUESDAY 18 FEBRUARY

18.00 INTRODUCTION: to the workshop
18.30 VIABILITY: a training session by David Carlisle, URS

WEDNESDAY 19 FEBRUARY

TASK 1: Collecting values

THURSDAY 20 FEBRUARY

12.30 TASK 2: Testing alternative viability models
14.00 TASK 3: Visualising viability
17.00 TASK 4: Pitching to the expert panel
18.00 CLOSING COMMENTS: Martyn Evans, Creative Director at Cathedral and Patrick Clarke, Technical Director at URS