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My ref:

Your ref:

26 August 1983

Dear Willie,

Thank you for sending us a copy of Sir John Sainsbury's letter of 26 August in readiness for his meeting with the Prime Minister next Tuesday.

We sent you a general note on this subject on 18 August. But Sir John has focussed in on the planning application and appeal machinery and the time taken to process some of his firm's proposals through the system by local planning authorities and by this Department on appeal. As our note explained, it has been a major objective over the past four years to improve the efficiency of the system and we have made substantial progress on the great bulk of this case-work - see the statistics in paragraph 6 of our note.

Two years ago we brought in Arthur Anderson as consultants to advise on ways of improving our handling of appeals and their proposals are being implemented, including computerisation. At the local authority end, the Audit Inspectorate published earlier this year a very full report on "Local Planning: the Development Control Function" which was carried out by audit staff and a team from Thornton Baker Associates. The terms of reference were to review the development control function of local authorities, compare their performance and identify the scope for improving the management of this activity. The report contains a number of useful proposals which should lead to greater efficiency in the handling of the general run planning applications.

As explained in our earlier note, however, it is unfortunately the case that the types of project with which Sir John Sainsbury is concerned are often very controversial, attract much local opposition and sometimes precipitate competing applications from rival firms that may be designed primarily to impede his firm's proposals. The planning system has to cope with these conflicting interests and it does frankly tend to choke on them. While the great bulk of planning applications are processed competently and the great majority (around 90%) are approved, the Sainsbury Superstore (and some other types of large-scale project) tend to run into difficulties and can take far too long to resolve.

Sir John himself has not so far produced any very practical proposals to solve this problem: "zoning" is not the answer for this type of "one-off" project since it is rarely possible to forecast where such development opportunities will occur, and zoning systems and the conditions attached to them can create rigidities and complexities of their own (the New York Zoning Ordinance runs to over 300,000 words). Major retail projects of this kind are probably the most difficult cases that the planning system has to deal with, and it may be that there is a need for a separate study by specialist consultants, in consultation with major retailing interests, of this particular type of development and how the planning system can be adjusted to deal with it more efficiently. This could be of far more direct benefit to Sir John's firm and to similar developers than a much wider ranging review. If you will let us know the outcome of the Prime Minister's discussion with Sir John we would be glad to pursue this proposal. We have not yet been able to put it to Mr Jenkin but I think he would be glad to consider it.

Yours sincerely
Helen Ghosh

MRS H F GHOSH
Private Secretary