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Greasing the Wheels or a Spanner in the Works: Permitting the Adaptive Re-use of Redundant Office Buildings into Residential Use in England

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**Abstract**

This paper explores the challenges involved in planning the adaptation of the urban built environment. It approaches this subject by appraising a recently introduced national planning policy (the permission to convert office buildings into residential use without planning permission) in England. Drawing on interviews conducted with planning practitioners it is possible to unravel the impact of this policy instrument at the coal face of the discipline. The office to residential conversion policy has removed the long established process of local planning discretion in England in favour of a developer led planning policy. In doing so, the policy has removed the in-built 'elasticity' in the English system of planning consent, designed over hundreds of years, to mediate the complex interests involved in urban built environment adaptation. Consequently, there has been a tactical manipulation of additional planning tools, originally designed for other use, to re-exert influence at the local level by local planning authorities. Findings suggest that the new policy has not aided the adaptation of office buildings into residential property in all locations. Rather than greasing the wheels of office to residential conversion it has thrown a spanner in the works of a unique local planning

process that was originally developed to manage future change. The paper concludes by calling for local planners to reformulate their role in planning adaptation by reasserting their role as 'market actors' through the development of city information models, the exploitation of professional communication networks and the transference of their own tacit knowledge.

*Key words:* Adaptation; office; residential; market actors; planning consent

## **Introduction**

Nearly 20 years ago Patsey Healey (1998) argued that cities increasingly need development industries and planning regimes that have the capacity to construct and refurbish sites and buildings in the context of fluid and dynamic changes in the nature of demand for both locations and buildings. This concern still remains, rapid urbanisation in the non Western World, the shrinking cities phenomenon in Western Europe and North America, and in certain locations the hollowing out of inner city areas and urban sprawl (and the subsequent re-colonisation of the inner city) reflect the relatively fixed and inertial nature of the urban built environment and the changeable nature of urban consumer demand.

However, underperforming elements of the urban built environment cannot be consigned to the redevelopment process. This is because new real estate development each year only accounts for 2% of building supply (Kincaid, 2002; Kelly, 2012). Consequently, how society adapts these existing resources through changes within and across use, in order to satisfy its appetite for new ways of living, could define the cities of the future and must therefore be an important issue for the contemporary planning discipline.

Echoing this point, Sir Richard Rogers (2014) recently argued that the biggest opportunity for new Brownfield development in England may not be the big inner city sites, but rather,

*'Intelligent retrofitting and redevelopment, adapting existing buildings and working outward from high streets and neighbourhood centres - the places with best access to public transport, shops and other amenities...Our urban renaissance does not need new towns, but there must be new towns in our existing cities.'*

(Rogers, 2014, The Guardian, 15 July 2014).

The contemporary office building can be used to illustrate this situation. After decades of stability and continuity the modern office building is in transition. Previously defined by function and associated with desk bound employees, the notion of the office is increasingly uncertain. The impetus for this change is varied but rests primarily with technology, for instance the smart phone, tablet, cloud and remote working. This is compounded by broader structural changes emanating from globalisation, economic change and demographic adjustment (Hollander et al, 2009; Bishop & Williams, 2012; Burkholder, 2012; Oswalt et al, 2013) which taken together have begun to alter the way modern business and its employees conduct their work.

Illustrating this point, following the opening of the Frank Gehry designed Facebook headquarters in California, Marc Kushner (2015), heralded the end of the office, arguing that social media is changing the way we consume the urban built environment. This statement isn't necessarily as hyperbolic as it may first appear, technology is increasingly pervasive. It is therefore credible that in the near future we

could work everywhere and anywhere. Consequently, large office floor plates and the investment certainty of the medium to long term lease are increasingly redundant in certain locations. In response, office landlords and investors are looking to switch their capital into more profitable forms of use through conversion into alternative use (Harvey, 1978; Smith, 1984; Weber, 2002; Remoy, 2010).

This transition has implications for the modern planning profession which originally emerged in order to manage and harness the piecemeal development of the new metropolis. The contemporary planning profession is faced with a different challenge, that of planning and mediating the adaptation and the subsequent splintering of the existing built environment into new forms of use. Acknowledging this situation, the aim of this paper is to reflect on one response to this issue, the attempt in England to grease the wheels of office buildings conversion into residential accommodation through planning deregulation and permitted consent.

This lens offers the prospect of reflecting on the broader normative concern of how planning theory and practice can aid adaptive re-use in the urban built environment. The recent permitted development policy change offers a context for this reflection as it signals a turn away from the traditional state led process of planning by consent in England towards one that is private developer led. This encounter exposes tensions in relation to the central concerns of planning adaptation, in particular how planning can meet the challenges of how society uses land and buildings .

The empirical material in this paper is based on 10 in-depth interviews conducted during 2014 and 2015 with planning practitioners operating at the coal face of local planning in the public sector. In doing so the paper contributes to the work of Inch (2002), Mace (2013) and particularly Clifford and Tewdwr-Jones (2013, p.2) in relation to giving a voice to the professional planner which has been '*curiously absent*'

from planning policy for at least the last 20 years. Indeed, Clifford and Tewdwr-Jones (2013) recently set out the need for understanding the experience and reaction of professional planners by examining their propensity to collaborate and resist continual planning policy change.

The researcher made use of the elite/expert practitioner approach outlined by McGuinness et al (2015). The reason for this approach was influenced by the observations of Temonos and McCann (2013) who argued that this method can help understand the unwritten practices and the tacit understandings built up by practitioners over a number of years. In this way the method is a compliment to the latter day institutional perspective set out by Guy and Henneberry (2000), Adams and Tiesdell (2010) and Henneberry and Parris (2013) which describes an institution as *'a way of thought or action of some prevalence, which is embedded in the habits of a group or the customs of people'* (Hamilton, 1932, p. 84). Therefore, following this approach helps to centre the PDR policy in the textures, conventions and local ways of doing planning.

Yet, the elite/expert approach is not without detractors and Harvey (2011) and McGuinness et al (2015) themselves indicate that the term elite/expert in this methodological context is ambiguous and under researched. In this research, elite/expert is attributed to the status of the individual in the planning profession. It does not necessarily refer to their organisational seniority, professional credential or years of service but rather the planners front line position and proximity to the permitted development policy process. The definition is intentionally narrow as the purpose was to target interviewees who had first-hand knowledge of the new policy procedure. A semi structured interview format was used designed around the findings from an initial literature review that indicated research deficit in relation to the impact of the recent PDR policy change, its receipt by planning practitioners and how it may be enhanced in

the future. The same knowledge deficiencies underpin the central research questions which structure this paper.

Upon request, practitioner identities and local authority locations have been redacted in order to protect their identity (only general location information is revealed). This approach stimulated frank discussion in relation to the impact of the PDR policy which might not have been possible otherwise. However, it is possible to say that the composition of interviews is sufficient to compare geographic variation, for instance between Central London and the rest of England, and in order to get a feel of how planning practitioners have responded to the PDR changes in England. Where possible, all efforts have been made to situate the raw practitioner perspective within the text. This realises the opportunity for a rich description of events as they are actually unfolding and gives the respective planners an opportunity to speak for themselves and respond to the PDR policy (something that preceding sections of this paper suggest has not hitherto been possible).

Such an evaluation should provide a sound basis for policy makers when they evaluate ideas for planning building adaptation. For those planners involved in the day to day management of building transformation, the paper provides an approach to understanding the wider significance of building adaptation which the researchers hope will contribute to a more knowledgeable and effective planning practice in relation to building change. Expanding knowledge in this area will help planning practitioners in mature urban areas deal with the challenges of adapting an ageing urban landscape. However, it is also hoped that this approach will also help those planning practitioners dealing with the demands of accelerating urbanisation in the non-western world which requires an understanding of the urban development processes and how to manage them. The paper addresses this situation with three underlying research questions:

- (1) *How has the Government's permitting of conversion of office buildings into residential use without planning permission landed in England?* The paper explores how the Government's policy is bound up within its neo-liberal political agenda, resulting in a 'thin' policy instrument which neglects the 'thick' texture of contingent market relations.
- (2) *By what means, and to what effect, have planning practitioners interacted with the Government's planning policy?* The paper shows that planning practitioners recognise the need for building adaptability in the face of increasingly volatile urban preferences but have been dislocated from the governments planning policy.
- (3) *How might planning theorists and practitioners develop more effective urban built environment adaptation planning strategies?* The paper concludes that planners must reassert themselves as 'market actors' (Adams and Tiesdell, 2010) in the office to residential adaptation process and identifies three opportunities in relation to this aim; the development of city information models, the exploitation of professional communication networks and the transference of planners own tacit knowledge.

The final section of the paper summarises the answers to the three research questions and contemplates their implications for planning theory and practice. The underlying argument is that planning building adaptation will perform best if it is centred in, rather than dislocated from, locally textured property markets and their associated local planning structures.

In order to provide an analytical context for the paper the next section considers the two contrasting modes of planning practice suggested in the permitted development



policy change. First, the traditional model of state led development control and its basis in local authority planning consent, and second, the latter day emphasis on deregulated development control and the veracity of the market.

### **Opposing perspectives**

#### *The original glory of English planning consent*

Broadly speaking, in England, there are two perspectives in relation to planning urban built environment adaptation. The first is the discretionary basis of planning consent and development control which can trace its evolution back to the 1700's (Booth, 2003). The second is the developer led model which can trace its evolution to latter day neo-liberalism. In no way does this paper set out to detail a history of development planning in England, moreover, stating only two positions is obviously a simplification of the historically contested and richly textured planning tradition in England. However, the authors do contend that this approach, alongside the recent permitted development policy change, is a useful heuristic tool for the subject at hand, that of understanding how planning can facilitate the adaptation of the urban built environment.

In England, the traditional system of planning consent and development control is based upon the central principles of elasticity, flexibility and discretion, principles which set the English tradition of planning consent apart from its zone based European and North American counterparts (Booth, 2003, 2009). The Town and Country Planning Act, passed in 1947, enshrined the nationalisation of future development, dividing the current quiet enjoyment of land from its future use. Hence forth, anyone carrying out development in England, so defined<sup>i</sup>, would need planning consent before doing so. The intention was that each planning application would pass through detailed scrutiny and take into account local land use strategy. However, any application for development would also be considered 'on its own merits' and would take into account

other 'material' considerations. Therefore, local authorities had considerable discretionary control over development within their own administrative boundaries in order to promote and protect the public interest by working through all of the implications of a proposed development.

In 1948 the first General Development and Planning Use Class Orders were also brought into use and have since been subsequently amended in order to reflect the changing requirements of society and contemporary characteristics of economic development. Specifically, the Planning Use Classes Order places uses of land and buildings into various categories known as 'Use Classes.' This order is periodically amended (most recently in 1987), but the general convention is that planning permission is needed to change from one class of use to another. The intention behind the Use Classes Order was to provide a degree of separation between generic types of building in order to identify change in use but also to provide a degree of flexibility within a given category where certain changes would not be considered material and would therefore not require planning consent.

While, the intention behind the General Development Order (the most recent of which came into effect in April 2015) was to give certain types of development planning permission within the order itself. The objective was to arrest the planning system from congestion through trivial and minor development issues (Booth, 2003). In other words, certain types of development were given national planning consent, independently from the local authority discretionary procedure, in order to aid the overall efficiency of local planning.

Unlike systems of land use zoning seen in Western Europe and North America, the intention was to have a system of planning that was agile enough to react to changing circumstances and locationally specific circumstances which deviated from the

principles of local land use strategy. This process is conversant with the findings of Beauregard (2005) who conducted a rare appraisal of office to residential conversion in New York. He established that the shaping of office to residential adaptation is reliant upon the functional interdependence of property sectors, actors and local amenities and that such development is fundamentally local in formulation. To aid his analysis Beauregard (2005) made distinction between the 'thin' conceptualisations of market logic based on a remote relationship between property supply and occupier demand and the 'thickness' of local real estate markets. He argued that, *'what we need is a 'thick' rather than 'thin' understanding of functional interdependence in property markets, one in which the specifics - the contexts - are made explicit'* (Beauregard, 2005, p. 2432).

However, this in built flexibility, so valued by planners in England, has not always been received favourably by developers who accuse it of arbitrary decision making and inefficiency (Haar, 1984; Booth, 2009). Indeed, Booth (2003) contends that since at least the 1960's the English system of development control has somewhat lost sight of its original glory and has been beset by an emphasis on managerial efficiency and technocratic target setting.

### *The invisible hand*

Associated with this critique, the second perspective is associated with the emergence of neo-liberalism which advocates the invisible hand of the market as the central conduit for urban adaptation with developer led transformation to the fore (see Allmendinger and Haughton, 2010; Allmendinger, 2011; Lord & Tewdwr-Jones, 2012 and Clifford and Twedwr-Jones 2013 for thorough accounts of the contested reality of neo-liberalism and planning). This approach can trace its lineage to the neo-liberal tendencies of

English Government in the 1980's which was exemplified through the newly emerging Enterprise Zones and accompanying Simplified Planning Zones (Booth, 2003).

The arguments of Peck and Tickell (2002) in relation to 'roll back' and 'roll out' neo-liberalism are useful in this context. They describe a situation where on one hand the state gives up and concedes responsibility and accountability for welfare provision to the market, while on the other, it actively creates and strengthens growth orientated forms of governance and regulation. Similarly, this paper defines the impact of neo-liberalism on planning as the stripping back of state intervention and the legitimisation of market based ideology in planning practice. In general there is less concern for development externalities and the potential impact of development on the social cohesion of cities. In this respect, the deregulation of planning in England can be linked into the broader concern of how society is governed; since the turn of the 21st Century this co-dependence has become increasingly turbulent and beset by regular reform (Clifford and Twedwr-Jones, 2013).

In England, in a similar way to other nation states, planning as an activity has long been formulated, regulated and implemented at different geographical scales and by different governance actors. As a result it often takes one step forward, toward new ways of working, and then two steps back to more recognisable forms of governance (Twedwr-Jones, 2012). Indeed, during the late 1990's and 2000's (coterminous with the New Labour administration) there was a relative period of planning renaissance associated with the emergence of spatial planning. Influenced by European schools of planning thought, land use planning was re-invented as a flexible tool for strategic planning (Clifford and Tewdwr-Jones, 2013). Cognisant of some of the original intentions of development control, place making, collaborative vision, local

distinctiveness and the input of, and output for, the community and local stakeholders gained emphasis.

However, the advent of the Coalition Government in 2010, and the Conservative Government in 2015, brought forward a new form of austere Neo-liberalism following the publication of the Localism Act in 2011 and the National Planning Policy Framework in 2012. In doing so, central government has concentrated on the rolling back of collectivist state led planning (1300 pages of planning guidance have been reduced to 65 pages since 2010) and the roll out of market mechanisms, such as the permitted development right rule change, designed to create developer friendly growth opportunities.

Those who support this approach contend that the planning process can suppress necessary development by increasing costs or ultimately withholding planning permission (Booth, 2003). Even though this position was countered some time ago by authors including Henneberry (1982), Glasson and Booth (1992) and Booth (1996), this sentiment was reflected by the Planning Minister during the initial permitted development announcement in 2013,

*'These changes are an important step in improving the planning system and making sure it is in the best possible shape to swiftly adapt to changes and opportunities that can provide a big boost to the economy... We are determined to make sure perfectly good underused properties are converted for homes and uses that will benefit our communities.'*

(Nick Boles, quoted in the Architects Journal 24th January 2013).

So, two opposing perspectives of planning adaptation are apparent in England; the first position sees the planning system as inefficient and an obstacle to developer led change in the urban built environment. The second, is centred in the original glory of

the traditional English development control system which was originally designed to respond to changing circumstances and the need for adaptation.

The proceeding section uses the permitted development policy to probes this debate, first of all setting out the permitted development rule changes in greater detail before bringing to bear the frank views of planning practitioners in order to understand the impact of the permitted development policy, how the policy has been resisted and how adaptation in the urban built environment can be better planned.

### **Permitting the conversion of office to residential use in England**

#### *Permitting development*

In April 2013 the Coalition Government in England introduced conditional permitted development rights for the conversion of existing office buildings into residential use (part of the Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2013), for an initial period of three years between May 2013 and May 2016. In this case, permitted development rights (PDR hereafter) are used to allow certain building works and changes of use between office and residential use, to be carried out without formal planning application. In the Autumn of 2015 the new Conservative Government announced that this policy would be extended indefinitely and extended to allow the demolition of existing building and replacement with new build residential use in certain circumstances. Announcing the extension, the Minister for Housing and Planning argued that,

*'Today's measures will mean we can tap into the potential of underused buildings to offer new homes for first-time buyers and families long into the*

*future, breathing new life into neighbourhoods and at the same time protecting our precious green belt'*

(Brandon Lewis, quoted in government press release, 13th October 2015).

The relaxation, according to the Coalition Government was driven by the political and economic desire to recycle and adapt redundant office buildings, as well as quickly and cheaply promoting new home delivery in response to the perennial housing shortage in England.

There are restrictions in place in relation to listed buildings, conservation areas, and areas of outstanding national beauty or world heritage sites. The rights can also be withdrawn subject to Article 4 direction. Article 4 directions, which are commonly used in historic conservation, are not a prohibition on development. Rather, they serve to restrict permitted development rights by bringing previously 'taken for granted' building changes into the local consent procedure.

More than 2,250 notifications for office to residential change of use were submitted to planning departments in the first six months alone, significantly more than the Government estimate of 140 applications p.a. (Wild, 2014). More than half of local planning authorities in England attempted to gain some form of exemption from the rule changes (Geoghagen, 2013), while two judicial reviews were thrown out at the High Court (Royal Court of Justice 2013). Other local authorities have explored the application of Article 4 directions to regain control of the conversion process. At the time of writing 33 areas in 17 local authority locations have temporary exemptions in place, including the City of London, London's Central Activities Zone, Manchester city

centre and parts of Stevenage, Ashford, Sevenoaks and East Hampshire. These locations have until 2019 to formally agree Article 4 exemptions.

Unanimity in opinion, in relation to the impact of this policy has been difficult to establish. Anecdotal evidence suggests that reaction to the policy has ranged from congratulation, to outrage, fear, pessimism and confusion, in both public and private sectors (Wild, 2014; Geoghagen, 2013). In some respects this reaction is not surprising, the stated intention of the policy is to convert redundant office properties into much needed housing. Yet, there is no provision in the policy for distinguishing between redundant office properties and office properties that still have a future in their present use classification. Despite the rhetoric of the policy announcement the provision has generally been applied to respective office markets without restriction.

In response to this situation the proceeding section seeks to unpick the policy rhetoric and move beyond anecdotal reaction by bringing to the fore the experiences of planning practitioners who are working with the PDR policy on a daily basis.

*How has the Government's permitting of conversion of office buildings into residential use without planning permission landed in England*

This section reflects on the first research question, namely; how has the Government's permitted development policy landed in England? The principle findings from practitioners is that the PDR policy signals a significant departure from the original intention of permitted development rights in England which were conceived in order to remove relatively minor planning applications from the planning consent system in order to allow local planning authorities to concentrate on more significant development applications. This change in emphasis sits within the debate regarding the territorial



frame within which planning resides and the influence of government ideology (Tewdwr-Jones, 2012).

This is because the original intention of PDR after the 1947 Town and Country Planning Act was to grease the wheels of the local planning consent process and was, in principle, an example of the central and local planning state working in relative unison to protect and preserve national development rights for the public good. In contrast the new office to residential PDR policy is not engaged with minor physical works, rather, it has been used as a tool to incentivise developers to engage with two major urban issues in England, the surfeit of underused office properties in certain locations and the concurrent dearth of available housing supply.

By removing the traditional principle of local planning consent enshrined in the 1947 Town and Country Planning Act, the PDR policy has by-passed local contingency in favour of a developer led model of adaptation. Illustrating this situation a Planner in the Midlands reflects that,

*"PDR changes are a classic example of centrally defined and politically motivated planning policy that has unleashed a firestorm of conflicts between different scales of urban planning governance and government...Central Government might as well have detonated a nuclear bomb."*

Overall, interviewees gave a sense of disconnection from the office building adaptation deliberation at the local level. One planning practitioner in East Anglia captured this sentiment, indicating that,

*"We are increasingly faced with a perspective where the market knows and grows best and is expected to work things out for itself"*

Yet, there was a very real sense from interviewees that the policy rationale is not borne out on the ground. Instead of isolating underperforming office properties, the PDR policy is applied to all types of office property (regardless of relative performance) and locations. Nor does it consider spatial variation or the contingent characteristics of local real estate markets, what Beauregard (2005:2432) describes in his appraisal of office to residential conversion in New York as the 'textured nature' and 'thickness' of actual real estate locations. Rather, the neo-liberal policy is an example of what the same author considers to be a 'thin' conception of real estate action based on neo-classical presumptions of supply and demand and market logic. In this context, adaptation has been detached from the 'thick' approach associated with the English tradition of planning consent and development control. In particular the emphasis on local texture, interconnection and socially constructed real estate markets embedded in the principles of 'other material consideration' and the assessment of planning applications on 'their own merits.'

The impact of this situation can be considered thus, in London (and in a minority of prime locations in the regional centres such as Bristol) where office supply is low, the PDR policy has not been received positively due to the potential loss of valuable office space. Yet, elsewhere in England, where secondary office supply exists in abundance with no obvious future in its present class of use, the PDR policy has been received more favourably.

Two planners in opposing locations give an impression of this situation. First a Planning Officer in Central London alluded to the non-discriminatory nature of the PDR policy,

*"PDR legislation is seen as extremely damaging due to the significant loss of office space which will occur; there is no guarantee that office stock converted will be vacant or poor quality, as the legislation also applies to Grade A occupied office space. Affordable housing cannot be secured nor can other developer contributions; this in turn increases the profitability of conversions."*

However, this perspective in Central London does not reflect the views of planners elsewhere in England. Indeed, the Head of Planning, at a local authority in the West of England stated that,

*"Rental values in this city simply do not justify building maintenance and improvement and certainly not conversion into alternative use...this leaves cities in our position at an extreme disadvantage."*

This is supported by recent research in Leeds and Manchester (Cook, 2014), which indicates that the uplift in capital value of a converted residential property would not be sufficient to cover the cost of conversion from office to residential use. This indicates a more complex reality than that set out in the original PDR announcement which, at least rhetorically, set out to stimulate the conversion of underused office buildings. There is a real indication from interviewees that the original policy intention has not been met, those vacant office properties coming forward for conversion in London are not necessarily redundant while the policy is largely ineffectual in those areas that would most benefit from it, those areas with concentrations of redundant office properties. This is because the major barrier to adaptation in these locations is suboptimal economic conditions rather than an obstructive planning process (Bryson, 1997).

A Planning Officer in East Anglia suggested an improvement upon this situation,

*"Where 'adaptive re-use' is appropriate, is where there is evidence at a strategic level that existing use is no longer suitable. This means that adaptive re-use can be properly planned. Piecemeal adaptive re-use will not help to meet strategic priorities in the same way, and may lead to more conflict and issues in the long run, e.g. due to lack of appropriate infrastructure."*

Yet, the accustomed conduit that English planners have used to link new development into strategic land and property formulation, planning consent, has been removed through the PDR process.

Echoing Peck and Tickell (2002) there is an apparent irony here, the English Government has deregulated planning in order to give a more prominent role to the market, yet, central government has had to adopt greater centralising powers in order to impose this agenda. Indeed, by removing the power to mediate building adaptation from the tier of government closest to its production, the PDR policy contradicts contemporary notions of localism, collaborative democracy and accountability. Although not the central concern of this paper, the PDR policy also signals a break from the contemporary concern with spatial planning and the recent prominence given to collaborative vision, place making, local distinctiveness and the broader concerns of the local community and stakeholders. A planning practitioner in South Yorkshire gave a sense of this situation,

*"There is a clear confusion between the stated Government policy of localism which you could associate with local governance and place making, and the reality of what is going on. The result is that the PDR policy has pretty much removed local planning authorities and local areas from the building re-use equation almost entirely."*

*By what means, and to what effect, have planning practitioners interacted with the Government's planning policy?*

This section reflects on the second research question, namely how have planning practitioners made sense of and interacted with the PDR policy? Interviewees indicate that the permitted development change has resulted in a process of tactical manoeuvring on the part of developers and planners which has led in certain circumstances to an adversarial and pessimistic situation. A Planner in central London gave an impression of this situation,

*"The PDR policy is a one size fits all mess which leaves no room for locationally specific market conditions, nor the scope to mediate these issues. The result is that planning authorities are using retrograde tactics to shelter from potential changes...what else can we do?"*

One of the most damaging results of this policy, according to the same Planner, is that,

*"There is anecdotal evidence of deliberate neglect of buildings in order to ease the path to conversion to another use, particularly residential use...elsewhere*

*this has been compounded by the use of artificially inflated rents in order to grease the wheels of conversion."*

This is something that is corroborated by a recent Financial Times article that reported the repeated forced eviction of businesses and charity organisations in secondary office accommodation (Allen, 2014). The same Planner indicates that this situation is driven by,

*"The vast disparity between office and residential land values, especially in the secondary office accommodation market, which results in huge pressure for residential conversions. In fact, changes into residential use are likely to be viable in 99.9% of cases in London regardless of building condition."*

Interviewees suggest that this situation is further exacerbated by the absence of developer contributions (affordable housing requirements and Section 106 allocations) in the PDR process, which is being used as leverage by developers in their negotiation with local planning departments. The suggestion is that by signalling the intent to convert through the prior approval process, developers can use this as a negotiating chip to drive harder bargains in relation to potential new development. A Planning Manager in North Yorkshire argues that,

*"Property developers have our heads on the block, we are increasingly presented with a fait accompli where we have a choice to concede diminished developer contributions on a cleared site or no developer contributions on an existing building."*

Further illustrating this situation a planning practitioner in the Midlands observed the following,

*"The impression is that permitted development right rule changes aren't a panacea for poor offices and housing shortage. The rate of prior approval<sup>ii</sup> for change in use may have increased but this is not necessarily reflected in the quantity of actual change in use projects."*

The consequence is that planning practitioners are deploying tactics of their own, in order to exert influence over the building re-use process, either formerly through Article 4 directions or through a rear guard action of conscious resistance (Clifford and Tewdwr-Jones, 2013). However as a Planner in Central London indicates that these efforts are not without risk,

*"Even though Article 4 directions do give power to local authorities they must still be signed off by the Secretary of State. Our own proposal was thrown out for being disproportionate in its protective area"*

So, instead of the historical collaboration between central government and local planning authorities in relation to the control of development, there is now, in certain locations, discord between the two tiers of planning policy where local planners are actively resisting central planning policy in order to protect their local interest.

*How might planning theorists and practitioners develop more effective building adaptation strategies?*

This final section takes forward the findings from the first two research questions and considers how adaptive re-use might be better planned. Rhetorically, the PDR policy is a bold attempt at tackling two urban problems, a surfeit of redundant office property and a dearth of residential property. Through the act of rolling back the requirement for planning consent from local authorities, the Government in England has attempted to 'grease the wheels' of office to residential conversion. Yet, findings suggest that the roll out of this developer friendly policy is not an effective means of planning office to residential adaptation in all locations because it neglects external conditions, spatial variegation and can result in an adversarial relationship between developer and local planner and between local planner and the central state. It is this disjunction that has largely thrown a spanner in the works of the PDR policy. This is because the capacity to resolve conflicts and develop a sense of unity in any urban area is often difficult, and in turn, crucial in delivering successful urban change. Unfortunately, as Tewdwr-Jones (2012) attests, the planning roll back in England since 2010 has made the governing of places as they are affected by external forces and policy directives, much more difficult to deal with, just at the time when local mediation is most needed.

So, this begs the question, how might adaptive re-use be better planned in neo-liberal times? How might office to residential conversion be connected to area based strategic planning priorities and how might the adversarial relationship between planner and developer be reversed? The work of Adams and Tiesdell (2010) and latterly Heurkens et al (2015) in relation to planners as 'market actors,' provides a good starting point in thinking about how local planners can influence the adaptation process in



collaboration with the market. Now that the tools of the planning consent process are no longer available to them, this paper calls for local planners to reformulate their role in adaptation by reasserting their role in urban development in three key areas; through the development of city information models, the exploitation of professional communication networks and the transference of their own tacit knowledge. This responds to research participants who describe a sense of powerlessness in relation to planning adaptation. Illustrating this situation, a Planner in the North West of England contended,

*"I would love to work meaningfully with building re-use, but there isn't any planning rationale for doing so. The planning system doesn't have the tools to deal with the situation, it doesn't even have the vocabulary...quite literally since the reduced National Planning Policy Framework came into play."*

Evoking this observation, Adams and Tiesdell (2010) have argued that planners do not necessarily see themselves as market actors even though they traditionally play an important role in, '*shaping, regulating and stimulating market activity*' (Adams and Tiesdell 2010, p.198).

### *City Information Modelling*

Adams and Tiesdell (2010) argue that planners have been traditionally weak in obtaining and exploiting information in relation to land and property markets. This is a missed opportunity as information is the underlying ingredient in economic decision making (MacLennan and O'Sullivan, 2012). This is not to say that greater access to

information will lead planning into a new data led ascendency but rather that any developer considering a building adaptation is likely to welcome additional information to aid their appraisal of development viability.

Although useful and regularly published, this paper does not contend that local planners should equip themselves with second hand information from national office and residential agencies. Rather, it argues that local planning authorities should exploit the information they already have access to, or frustratingly have at their finger tips already. Through the development of city information models (CIM) local planners can play a hands on role in evidencing and aiding adaptation by providing information in relation to potential occupier demand, local infrastructure provision and current land and property availability. This would go some way toward developing a 'thick' planning intelligence tool which could be used in collaboration with the development industry.

For instance the National Summary Valuation data set which is published every 5 years (last published in 2010 and currently delayed until 2017) by the Valuation Office Agency, holds an accurate picture of all commercial office properties in England. Further, National Non-Domestic Rate Returns, collected by all local authorities for tax purpose hold an accurate account of commercial office vacancy, Furthermore, most local authorities have an internet based commercial property search facility which can be used to approximate where potential occupiers wish to locate.

Although relatively unstructured, these data sets alone could be refined and combined in order to approximate the supply of, and potential demand for, commercial offices at the local level. Furthermore, the same information could be complimented by the National Land Use Database (NLUD) and the Energy Performance Certificate (EPC) register to substantiate the national PDR policy which places a rhetorical emphasis on the conversion of underperforming office properties but does not provide a

rationale for defining this situation. Indeed, the 2013 policy announcement used information published in 2005 (the last time the English government published information in relation to office vacancy) , before the peak of the last property cycle and the most recent recession, to support its intentions.

### *Professional Networks*

Adams and Tiesdell (2010) have already noted the gradual turn toward implementation agents in the voluntary and private sectors for carrying out projects that would have previously been led by the public sector. This has resulted in the need for planners to actively engage with these external agents and their professional networks if they want to influence development. The PDR policy has accelerated this tendency because the private sector is now expected to lead the conversion of offices into residential use.

This means that if planners want to take part in the office to residential adaptation process, to link physical development into spatial policy, they must join these external networks and prove their individual worth. Encouragingly, this approach could help break down the occasionally negative relationship between planner and developer exhibited in previous sections of this paper and could promote positive outcomes. This is because planners have internal (with other parts of the public sector) and external (with private commercial real estate markets) professional networks of their own which can be brought to bear on the office to residential adaptation process. For instance, due to their strategic role, planners typically have strong internal links with economic development professionals and financial grant bodies. In areas where office to residential adaptation is difficult to justify in the economic sense, primarily outside of central London, access to grant funding can prove to be the difference in successful project completion.

Complimenting this situation, local planners also typically have established relationships with nearby landlords and business space providers. Earlier sections of this paper have noted the forced evictions of business tenants in certain locations by landlords to make way for more lucrative conversion into alternative use. Reactively, planners could use their external connections to manage the fallout of this situation and help find new locations for these businesses. Proactively, they could also work with developers as they negotiate and serve formal notice on tenants to find alternative suitable business premises.

Rarely are office buildings entirely vacant, it is more often the case that office buildings will be partially vacant as landlords seeks to avoid empty property taxation through the awarding of advantageous but temporary methods of conveyance to occupiers. Now that the PDR policy has been made permanent it is likely that this situation will continue and it is therefore important that planners intensify and exploit their professional networks in order to mitigate the impact of existing business displacement.

### *Tacit Knowledge*

The previous two points have focused in on how planners can exploit external information and professional network resources, in contrast, this final point focuses in on how planners can exploit the resources they hold within. Although local planners have been largely removed from the office to residential conversion process in England they have still developed over time, an abundance of tacit knowledge in relation to buildings and locations within their local authority domain. This hidden knowledge, or to use Beauregard's (2004) terminology, 'thick' understanding, can be brought fruitfully to bear on the office to residential process. This tacit knowledge include contacts, ownership history, neighbour problems, infrastructure issues and general development

knowledge. Just by knowing the local community and 'how things work,' provides planners with a useful avenue for mediating any conflicts or disruptions to development.

Michael Polanyi (1958) first introduced the concept of tacit knowledge and best described it in the 1966 *Tacit Dimension* with his contention that '*we can know more than we can tell*' (Polanyi, 1966,p.4). Echoing the observation by Adams and Tiesdell (2010) that planners don't always know their own affectivity, what Polanyi (1966) was getting at was, people, and in this case planners, are occasionally not aware of the knowledge they possess or how it can be of value to others. In the same work he argues that this type of knowledge is not easily verbalised or learned from text books, instead it must be exchanged through every day personal contact and trust.

To a certain extent this embodied knowledge is best captured when it is revealed in a network or community of practice (Schmidt and Hunter 1993). Yet, this transmission can only take place if planners reformulate themselves as 'market actors.' In this case the community of practice is the development market 'out there' which planners must engage with to influence the office to residential conversion process.

In this final section we have indicated the potential for, and value of, local planners reengaging with the office to residential adaptation process. Findings suggest that outside of Central London, economically viable adaptation is very difficult to justify because of sub-optimal economic characteristics. Hence, developers in these locations need all the help they can get to bring office to residential adaptation schemes forward. For instance, the use of city information modelling, the exploitation of professional networks and the transference of tacit knowledge, can be used to think through the implications of development in order to reduce cost, to access grant opportunities in order to fill gaps in economic viability, and finally, to understand local constraints in order to reduce the development programme. Taken together these

strategies indicate how planners can still be a useful aid in adaptation rather than development obstruction.

## **Conclusions**

At the turn of the Millennium Kincaid (2002, p.18) hoped that in the near future,

*'The frequent adaptive re-use of buildings would be the norm rather than the exception.'*

The findings in this paper demonstrate that this well intentioned aspiration is not a straightforward planning activity nor is it one that can be met through deregulation alone. Indeed, rather than greasing the wheels of office to residential use adaptation, in certain locations, the PDR policy has put a spanner in the works of this same process. By removing the need for planning consent it is no longer possible for planners to formally link new development into spatial objectives while the more general link between public ownership and future development rights has been eroded.

Despite its latter day association with managerialism and inefficiency (Booth 2003, 2009) the original glory of the development control system in England was based upon a local recognition of future change and the need for urban locations and planning regimes to adapt in relation to this complex requirement. Yet, by removing the requirement of planning consent based upon 'individual merits' and 'other material considerations,' the paper contends that an inherent sense of agility and alacrity has been lost from English planning that has in turn made office to residential adaptation problematic.

Supporting this argument, findings in relation to the first research question, suggest that the rhetorically bold office to residential conversion policy has been

dislocated from the traditional approach to local planning consent. Crucially, the PDR policy does not account for spatial variability and local socio-market conditions and has ignored the interdependence between individual building change projects and wider locational circumstance.

The second research question deals with the ways that planning practitioners have interacted with the governments adaptation policy. Findings suggest that planning practitioners recognise the need for building adaptation in the face of changing occupier preference but feel detached and therefore disengaged from the government's planning policy. As a result, there has been a tactical manipulation of previously unrelated planning tools, originally designed for other use, to exert influence.

In response to the third question, the paper calls for local planners to reengage with the urban built environment adaptation process through the development of city information models, the exploitation of professional communication networks and crucially, the transference of planners own tacit knowledge. Here, the academic community has an important role to play in the coming years in relation to raising the issue of urban adaptation and it's mediation to the same level as spatial governance and the more recent engagement with state market relations. In England, this will have particular impact as the traditional tools of development control have been eroded and planners must now find new ways of influencing the physical production of adaptation.

However, in order to begin to understand planning the adaptive re-use of the urban built environment, it is necessary to qualify the empirical research in this paper. This is for three reasons. First, the wide urban context of the English case study reveals the need for some cautionary words in relation to the context and content of the findings and conclusions in this paper. The empirical approach has necessarily been one of broad review rather than detailed analysis, due to the case study size. Consequently, we must

be careful of over generalisation and simplification. Each location in England contains a variety of comparable but highly specific real estate markets which are contingent and socially produced in each context. Indeed, we must also be distrustful of simple binary oppositions between one location and the next, for instance between Central London and the rest of England. It is too simplistic to suggest that one location will be receptive toward the PDR policy and one will not.

Rather, it is more accurate to attest that each location will be criss-crossed with pockets of urban development that lend themselves either more or less toward adaptation, dependent on the underlying market conditions, the relative mix of supply and demand and the respective view points of relevant interests. Similarly, in taking such a wide view of planning, particularly in relation to market and planning consent approaches to adaptation, some of the finer details of both approaches have been dealt with in cursory fashion. This paper has only provided general descriptions of both approaches and drawn broad conclusions, a great deal more research will be needed to fully understand the specific nature of the planning requirements for adaptive re-use in each of the locations appraised in this paper.

Second, by focusing on England the paper is anglocentric in its planning formulation which will most certainly add a degree of bias to the judgements contained within. In addition, the account of the PDR policy and the general view of contemporary planning in England since the inauguration of the 2010 Coalition Government is clearly pessimistic. However, in adopting this position we do not discount the countless examples of positive planning practice encountered during this research.

Third, without doubt, there are a multitude of factors involved in office building obsolescence and the consequent need to adapt buildings for alternative re-use, only one



of these is the relative planning system. Planning is only one part of a complex web of actors, interests and relations, particularly developers but also investors, occupiers and members of the community who are either directly or indirectly involved in the production and reproduction of the built environment. The paper has only focused on one quality of the contemporary adaptation process, namely the PDR policy directive in England, and entirely from the perspective of the public planning practitioner. Clearly, additional research into the complex relations between the different interests involved in adaptation, particularly at the individual development scale, will enrich this line of enquiry.

Yet, despite these caveats, we consider that the material within provides a range of interviewee perspectives through which a picture of the PDR policy begins to emerge in England. This initial empirical basis creates some scope for planning practitioners to exert some leverage over the national PDR policy directive and the application of this to the wider intellectual debate in relation to planning adaptive re-use. Above all, the message is clear: we misunderstand contemporary urbanisations, if we believe that redundant and obsolescent buildings will simply be replaced with new development in order to meet the future requirements of urban consumers. But perhaps the greatest challenge is working out how planning can fit into and manage what Italo Calvino (1974, p.139) terms the endless catalogue of forms,

*'Until every shape has found its city; new cities will continue to be born. When the forms exhaust their variety and come apart, the end of cities begins.'*

<sup>1</sup> The carrying out of building, engineering, mining, and other operations in, on, over or under land, or the making of a material change in the use of any buildings or land.

<sup>1</sup> Previous to the permitted development right legislation the prior approval process was a little known simplified development consent process. Developers seeking to use the permitted development powers will need to apply to local authorities to see if prior approval is needed. As such it is a signal of intent rather than indication of physical development.

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