



Legal and General Property Ltd

**Evolving Planning Policies
Towards the Issue of Parking
Standards in New Development**

Final Report

Llewelyn-Davies

May 18th 1998

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A Report to Legal and General Property Ltd —
Evolving Planning Policies Towards the Issue of Parking Standards in New
Development

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Final Report

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"No Parking"

A report to Legal & General Property Ltd. on evolving planning policies towards the issue of parking standards in new development

1. This Report

This brief report has been requested by Legal & General Property from the Planning Practice at Llewelyn-Davies, to help provide a policy background to their investment and development decisions at a time when recent planning policy, and its implementation especially in relation to parking requirements, is causing uncertainty and perhaps anxiety in the development industry.

The report examines the possible instruments of future planning policy in relation to car parking, combines them into policy "packages", and then tests both in a variety of locations in order to explore what the implications might be: for future development forms, for investment strategies, and for the company's position in relation to central and local government on this issue.

2. Elements of the Policy Debate

Underlying the new interest in parking standards is a more fundamental shift in thinking. Planners are changing the emphasis: away from parking as a requirement to be met, towards assessing where its provision or restriction fits within the accessibility surface. Accessibility is increasingly assessed in terms of all modes, not just the car. Thus parking takes its place as just one part of the whole range of tools and concerns with which planning and transport policies deal.

But they are a very important part: of the policies themselves, and for the developers, investors and end-users who must work within them. They are becoming **more** important, too, and attracting more and more attention from policymakers. This is because a shift in practice and behaviour is needed if policy objectives are to be met.

This can be seen in the recent history of policy development, under the Major Government as well as under Labour. The Department of the Environment (now DETR) under Gummer produced two pieces of national planning policy guidance which gave a stronger steer than ever before to local planners: PPG13 "Transport", and PPG6 "Retailing & Town Centres". Both contained strands of the sustainability argument developed since the Rio Conference through the UK Sustainability Strategy, though they also to some extent contradicted each other - and themselves: PPG6, although introducing the sequential test for retail locational choice (and thus favouring town centres over the outer locations which tend to maximise ease of parking), also recognised that one of the key elements to be checked when assessing a town centre was ease of parking. PPG13 similarly contains a "centre-outwards" urban hierarchy, and points local planners firmly in the direction of shifting the balance of trips from private motorised to public and non-motorised modes, including by parking-related measures.

Under Prescott, these PPGs have remained in place and the rhetoric has if anything hardened on parking and modal shift. The Consultation Paper on a Revised UK Strategy for Sustainable Development already reflects this, in its widening of the agenda from green to broader social sustainability. The major White Paper on an Integrated Transport Strategy, though somewhat delayed, is currently expected in mid/late June, and will undoubtedly have a lot to say on the issue. Meanwhile, at a technical level, DETR have commissioned research on Parking Standards in the South East (from ourselves and JMP), on National Parking Standards (from ourselves, SDG and MTRU), and from others such as MVA, on restraint policy's potential effects in Bristol, and from SDG on mode switching potential between Midland Mainline and the M1 corridor.

So the signs are that parking requirements will (a) assume an even bigger role than hitherto in helping adjust the balance of modal choice (b) tend to tighten (c) form part of a batch of measures which all push in the same direction and (d) could be one of the parts of the new agenda which survives through to application.

3. The Nature of the Policy Changes expected

Components

Our fundamental perception of the current policy position can be summarised as: the policy is set, but its implementation and the actual measures are not. So the next stage, following the White Paper, will be about what the components are to be, and how they will bite on different activities in different locations.

There are a number of instruments that could be called on to reduce traffic flows and trip generation, in isolation or as a package of measures. Any one measure is likely to push pressure for parking or car travel to another area, and hence a package of measures is essential to the approach. These measures can be distinguished according to whether they encourage behaviour changes, or change travel behaviour through control / punishment. The "carrots" and "sticks" could be:

'CARROTS'	'STICKS'
• Co-ordinating Transport Policy & Development Plans	• Maximum parking standards, set at below-demand levels
• Cross-subsidy of public transport	• Parking Tax on existing & new private non-residential (PNR) parking
• Changes to Use Classes Order, or additional layers to distinguish access characteristics	• Tougher planning controls, particularly sequential testing and enforcement
• Locational policy encouraging 'travel-heavy' development to locate in central locations	• Green Commuter Plans, requiring developers of schemes generating person-trips to demonstrate how people will access the development
• Investment in non-car facilities	• Controlled Parking Zones (CPZs)

Policy Intensity Levels

We might envisage the policy scenarios as having three levels. The first is the current situation, which can be characterised as one of medium rhetoric but very patchy application. It is not going to persist, because of the policy / implementation tension that we outlined above. So the discussion here can usefully explore two further levels of policy intensity and severity over and above the present situation:

"Package A" - more radical and severe - might include:

1. Limits to car access expressed in restraint-based parking standards
2. Some mechanism for tying planning permission to overall access requirements (not just by car)
3. Payments for public transport, cycling, and pedestrian measures
4. Linking of these to traffic reduction targets (due 1999)
5. Parking Tax or charge for existing Private Non-residential Parking (PNR)
6. Tougher planning controls
7. Mandatory green commuter plans
8. Strict and wide application of controlled parking zones (CPZ)
9. Strengthening "off-line" fiscal measures (company car relief, fuel tax, etc.)

"Package B" - full rhetoric but medium application (a more consistently-implemented version of the current policy situation) - might include:

1. Regional variations in parking standards, taking account of existing parking provision at competing centres
2. Sequential testing of large development types, including leisure and business parks
3. Co-ordinated TPPs and local plans / UDPs
4. Green commuter plans
5. Residential parking standards more location-sensitive
6. National travel-awareness campaigns
7. Reliance on "off-line" fiscal measures

It would exclude the hard-biting and politically more difficult Parking Tax, and other mechanisms which would bite directly on existing car-use habits.

To some extent these are not "intensities" but "timescale" of application. Indeed one of the most likely eventual outcomes is an initially flexible system steadily tightening up. There are two logics at work here: first, policy would be being matched (and propelled) by steadily worsening road conditions; and second, there would be a need for care and gradualness in implementing these sometimes controversial and often counter-intuitive policies.

4. Application to different locations and sectors

Having sketched out the two "Packages" of further policy development, we can now explore what sort of impacts they would have on the different kinds of potential investment, in different types of location.

The locations chosen are London, Birmingham and Hemel Hempstead, to represent three different scales of British urban centre; plus Thurrock (Lakeside) and Stockley Park, as existing and expandable freestanding developments.

The two "Packages" are dealt with in turn for each area and land-use, starting with the most severe and then the less restrictive - i.e. Package A would be a very tight application of strong policies aimed at using parking control as a key tool in effecting significant change in modal split, and is examined first; then Package B which is a less stringent application of the same themes, with less financial muscle, and rather more like the mixture as at present, though more consistently applied.

London

Package A's potential effects on London pose something of a paradox. In terms of direct effects on development decisions, it affects London less than any other area: the familiar combination of road congestion and a good public transport system means that development of all kinds tend to be less car/parking dependent than elsewhere. This will tend to become more the case rather than less over the next 2 decades, over a widening extent of the London metropolitan region, during an ever-longer proportion of the day and week.

What the package would tend to do, however, is to make investment in London's highly (non-car) accessible centres/nodes relatively more attractive, in relation to the rest of the South East region - especially for office and retail development. It would also tend to accelerate a shaking out to the surrounding region of distribution activity, and to deflect new distribution development, because of the sector's high road access dependence.

Offices: on this logic, we could expect:

- an even stronger focussing of office development interest in the Central "Crossrail" core of Central London (Liverpool Street to Paddington);
- together with the most highly connected suburban locations (Croydon, Hammersmith, etc.);
- plus renewed interest in good "secondary" locations which have tended to shed office space since the late 1980s (e.g. Southwark Riverside, Euston Road);
- plus much stronger impetus to "create" new accessible development locations, as has been tried fitfully at Chiswick Park and Park Royal so far (new stations/services, etc.).

Most of the extra potential would be arising from the deflection of new office space demand from the car-predominant locations around the M25,

which would have become relatively less viable as a result of the demanding and financially burdensome restrictions and financial requirements in Package A. There is some possibility, of course, that a component of this demand could be deflected away from the South East (and the UK) entirely. This should not be exaggerated - the easy parking and campus setting of the business park are only one part of the region's offer to footloose international occupiers; in a context of worsening road conditions (so the road access to Heathrow and Gatwick and to clients and customers especially in London, will be less and less reliable), employees' travel to work consideration will tend to be secondary in occupiers' and investors' assessments.

Package B would have many of the same impacts - because it would also be consistently tilting the regional balance sharply in favour of highly (non-car) accessible places. The efforts would be less dramatic and would take longer to work through, because without the financial penalties imposed by Package A, the incentive to actively seek the high-centrality development opportunities would be that much less. Thus:

- the City Fringe locations would be less likely to come back into the frame as having an offices future;
- and fewer of the new locations would be worth 'creating', except perhaps in very strong sub-markets like West London (Chiswick?) or with separate government assistance (Stratford?).

As we noted above, much of the logic driving London's office development is a product of the realities of demand, congestion and good existing public transport, so planning policy per se is only one factor. In short, Package B would be unlikely to prompt a major shift in preferred office locations.

Retailing: for retail investment, the implications of Package A (in London) are also less dramatic than might perhaps be expected. The major food retailers have already responded to the combination of PPG6, PPG13 and market saturation by investing in new more urban less car-dependent stores; they are also exploring the possibilities of pre-ordering and home delivery; and the enormous extension of shopping hours means that the same floorspace (and parking space) can handle ever greater volumes of sales because customers are time-shifting to avoid congestion. Non-food durable goods are of course increasingly being sold through off-centre car-based units, although department stores seem to have stabilised as a retail form with a particular appeal.

So in food/convenience retailing we can expect both Packages A & B to reinforce the trend - evident already in stores like Sainsbury Balham (where parking is being reduced to increase sales space) and Sainsbury Pimlico (a mixed-use development squeezed onto the former bus garage in Gillingham Street) - to re-evaluate the balance of use of space and to extract as much value as possible out of sites. But the traders are already well aware of the agenda and choices, and are moving in the same direction in much of Inner London already. Policy impacts will mainly be to extend these effects sooner and more thoroughly to the rest of the city.

In durable trading, the same pressures (to intensify, and to re-examine sites) will arise, but they will be a lot less familiar to developers and operators, who are currently busy exploiting the opposite trend. It may well be worth redeveloping existing retail parks on a more efficient basis, with more shared parking and explicit recognition of non-car trade, in order to carry on serving the same markets but more intensively; and to overcome the drying-up of new sites for this form. Purley Way and Brent Park would be two obvious candidates for this thinking. Under Package A, the existence of a Parking Tax might lead owners and operators to switch the more marginal sites (such as Beckton Gateway) out of retail back to distribution.

Distribution: this is the non-residential land-use/sector least affected by the imminent changes. It is the one with the strongest case for road-accessible locations, and since it tends to have lower employment densities, it creates less inherent conflict with emerging policy. So developers and occupiers will find it relatively easy to comply, without much change to their objectives or modus operandi. The main effect will be positive: both Packages A & B will make it more likely that distribution uses will be able to compete for the sites that best suit them. Package A in particular would tilt the financial judgement in their favour as well. The Integrated Transport element of the White Paper should not be forgotten either, in that it may offer new incentives to assist in multi-modal provision.

In London terms, this looks like a boost to the North Circular, major radials and near-M25 sites; already favourite locations for distribution, the sector should be easier and more viable than competing uses (retail, office parks) which have tended to eat into the supply of sites.

Residential parking is not the main thrust of current policy effort, which is focussed on Private Non-residential (PNR) parking. However for London, Package A would tend to combine with the LPAC/GoL/DETR stance on Sustainable Residential Quality, and with established post-recession market trends, to help sustain interest in conversion to and redevelopment for housing at all market levels and in all accessible locations. Under Package B, the effects would be less strong, though the consonance with other policy strands would remain. In particular, Package B would have markedly less effect on the recent trend we can see starting to emerge, which is that office to housing conversions will start to slow down as other forms of demand (hotels, offices again) start to compete, and as supply and demand come back into balance.

Birmingham

These effects work in a similar but by no means identical way in Birmingham. Package A would focus development opportunities on the city centre, the fringe of the inner area (the "Quarters") immediately adjoining it, and certain other nodal locations with high non-car accessibility, particularly where radial roads with heavy bus flows intersect with suburban rail; one example would be Selly Oak, where the City, the University and the Health Authority all have interests in a group of sites with both brownfield development capacity and the potential for transport upgrading.

Office development, in particular, would experience the impact of Package A - arising from the combination of "carrot" inducements (which already influence the choice of the city centre) and "stick" penalties (which would make off-centre development expensive and difficult to achieve even if an approval could be got in terms of land-use planning). 'Ring road' locations and business park forms would pretty much stop once current permissions were exhausted, and indeed some might be withdrawn, simply because of the effect of the parking tax element of the package.

Package B would effect rather less change over the current situation - in major metropolitan centres like Birmingham, it is the market and existing travel conditions as much as planning policy which are dictating the mix and choice of central and peripheral development; "Package B" changes and tightening of parking standards would only affect the situation marginally. Even so, without the financial burdens on existing property (as in Package A), such properties - provided as they are with ample parking - might seem a more attractive investment proposition, at least for the time being.

Under both Packages A and B, the extent of inter-regional consistency (particularly on Business Park and campus-format development) will be a crucial issue in terms of determining the city of Birmingham's ability to compete and attract footloose office users.

Retail development patterns in the big non-London conurbations are probably amongst the most susceptible to variation according to the intensity of the parking/land-use control package.

Package A would bring to a complete stop the move to off-centre durable goods trading, because it would change the economics of both development decisions and consumer decisions. City centre and district centre locations would be worth major and long term investment in intensification and accessibility improvements.

Package B would have extensive, but different effects: in particular, without the fiscal measures in Package A, the city's existing stock of car-predominant Retail Park/Leisure Park provision could attract heavy reinvestment to squeeze much more floor space and turnover out of them, and durable traders in existing conventional centres, and the city centre itself, could be affected quite sharply. Retail floorspace expansion, however, would be strongly guided to the non-car accessible locations, as in Package A. This does not extend much beyond PPG6/PPG13 except that, as development plans are reviewed, parking standards would tighten, and the overall effect would be to confirm and perhaps slightly accelerate very recent retail development trends. In particular, greater regional consistency would mean that an authority like Solihull would not in future be able to give a permission for a car-predominant durable retail scheme attracting key traders (notably JLP) out of the regional centre. In addition, town-centre retailing might benefit from policies which inhibit long-stay (commuter) parking in favour of short-stay (shoppers/visitors).

For **Distribution** and **Residential** development, the effects of the two policy Packages will in our view be similar to that sketched out for London, but less intensive or marked. That is, distribution / logistics should find the

competition for its preferred sites weakening; whilst housing schemes with low parking requirements will be easier to get through and also should find a somewhat readier market than under current conditions, where a car is regarded as essential now and likely to be ever more so in the future.

Hemel Hempstead

Moving on down the urban hierarchy, the essential element of Package A applied to Hemel Hempstead would be the difficulty of getting approval for any commercial development other than in the two locations which are most accessible by non-car modes: the town centre, and the railway station a kilometre to the west. In a town of this scale and form, this accessibility criterion would relate as much or more to "soft modes" (walk, cycle) as to public transport - mainly because any significant shift achieved from car use is likely to come from those who live near, rather than the smaller numbers who use the bus or rail from further afield. Outside these parts of Hemel Hempstead, development would only be permitted with rigorous conditions on the expected mode-share of work journeys (say 50:50 car/non-car), or with payments to improve access, and Parking Tax liability, so onerous that development viability would be threatened (since the level of accessibility charge required would, almost by definition, require heavy investment and probably recurring subsidy). Tight controlled parking zone (CPZ) measures on surrounding streets would complement the restricted on-site provision.

In this construct, and given the regional market setting of this part of the London's Outer Metropolitan Area, we suggest that **office** development will continue to be a viable and indeed attractive proposition in Hemel. Permissions in the town centre and close to the station (where there is a mixture of low intensity users and open/underused areas) for developments of significant scale, will be achievable, and will be allowed parking at levels which should easily meet the "managed" demand. Outwith those two locations, there could be a marked change - larger developments (drawing on wider and hitherto car-borne catchments), will be less likely to get permission, or if they did would be burdened with onerous and problematic obligations and conditions.

What this does suggest, however, is that imaginative developers (possibly working with pro-development councils) might, as in London, find potential for creating "new" development locations by improving all-round accessibility, relating it to an existing settlement and then funding it with a sufficient volume of new development. One such location might be the southern edge of Hemel near Apsley station, where fairly low-key business park (BT) and retail shed developments (Homebase, Currys, etc.) are strung out around the paper mill sites.

Package B would, in our view, have quite similar effects - i.e. it does not need the fiscal measures to shift the basic choices in towns like Hemel, it needs coherent implementation of planning and transport policy of the new kind. The main difference as against Package A is that the threshold would be lowered for the viability of the off-centre locations; so more would still be worth doing: if and when they got through the

location/scale policy hurdles. So regional HQs might not be developed, but local institutions or single-firm offices might.

Under Package B, office development in Hemel Hempstead continues to be reasonably attractive, but it tends to lose some of the extra 'edge' it has under the more severe Packages, which arises by virtue of its reasonably good relative non-car accessibility position. Choices will often continue to be driven by a mixture of site-specific and wider considerations.

Retail: for retail investment, Package A should heighten the competition for locations in Hemel centre, both between retailers and with other potential end-uses. It would have less impact on the rail station area, though this could emerge as a mixed-use development location in which shopping had a part. What it does do is make impossible any further shed format retailing, because the obligations/parking tax/conditions mix would hit directly at the only true advantages this format has - use of cheaper sites, and over-provision of parking. And the current trend to bolt such schemes onto edge-of-centre locations and claim "centrality" (not really discernible in Hemel at present, but conceivable under current policies) would be squeezed out by a tighter land market. New forms of retailing could accelerate as shed-format gives way to retailers needing to take more of the burden of getting goods to people's homes.

Package B would, as for offices, have some of the same effects as Package A, especially because, as we have suggested, parts of the industry are already following this logic to some extent. The main difference is in relation to the Retail Parks, which will still be worth doing where they can actually get permission because the fiscal constraints will be much less tight; existing provision in this format will increasingly repay tightening-up and densification (within the constraints of its basic offer). The scope for both these sorts of changes exists in Hemel Hempstead, though it is not very extensive because of its "planned new town" structure (which makes it less of a guide to potential elsewhere, in relation to this development type).

Package B will make little difference to retail development potential. The current policy stance, though erratically applied, is at its tightest in relation to retail, and the changing realities of market conditions and road accessibility will be stronger drivers of change and choice than the further limited tightening implied by Package B. For a town like Hemel, Package B will be "as you were": except for possible access improvements for short-stay and non-car modes in the town centre.

Distribution: Package A, in particular, should help developers who wish to invest in logistics and distribution depots in the Hemel Hempstead area, because, as in London, the sites that best suit them will be the subject of less competition and will be relatively unaffected by some of the "sticks" that will add to the cost and complexity of developing uses with higher car trip attraction rates. Some of the property in the outer edge of the town which is currently in shed retail use might be considered for redevelopment for this sector as well. Package B will have many of the same effects, but more slowly and with less likelihood of redevelopment / conversion from retail.

Residential: the PNR parking elements of policy seem unlikely to have much impact on housing development in Hemel, which may be influenced slightly by the current (parallel) urban densification debate, but not very greatly because of the town's form and character.

Thurrock/Lakeside

The major development at Thurrock, on either side of the A126 West Thurrock Way, comprises the Lakeside regional shopping centre (together with parking structures and open parking), and a collection of retail sheds (Costco, Tesco, etc.) and distribution depots to the west and south. Lakeside's current expansion plans (18500 sq.m. more shopping floorspace, and 3000 extra spaces on more MSCP floors) can be assumed to be unaffected by imminent national policy change. On the other sites, some of the extant retail (car showroom) permissions seem not to be being taken up, with some indications of a move to leisure proposals (bingo, restaurants) and, in the more distant pits, distribution.

Beyond the current level of interest, we might envisage that Package B would encourage development which explicitly built in better public transport provision and perhaps more shared parking, but that further increases in both retail and distribution will be both possible and likely.

Even with Package A, which would include cost elements penalising heavily car-reliant operations, the Thurrock location has the potential, and the catchment, to adapt to increase the public transport mode share quite substantially, without reducing its overall appeal to its main markets. And given the extent and frequency of congestion in the locality, ever since the RSC opened, it has an incentive to tackle the issue anyway. Package A, indeed, could help to trigger a more imaginative restructuring of the whole area from the LT&S rail line northward, to provide new/improved stations and services, better linkages and a more integrated area, with the capability for considerable further intensification to create a real sub-regional centre in the locality.

Stockley Park

Stockley Park is often regarded as the archetypal business park, although it is not. Existing trends and pressures - values, congestion - are already pushing Stockley Park in the direction that current policy seeks. Package A would push it further, faster, in the direction of intensification: building on car parks, parking structures, redesign with less emphasis on the landscaped campus feel, more on the creation of a mixed office area, improvements to public transport, company transport plans, shared car / Internet schemes, etc.

New development will be along these lines as well: the free-standing office park is not a dead form, and will continue to be permitted albeit on different and more demanding conditions; but it will, rather, tend to converge with conventional office development, and lose that dimension of its comparative advantage which is ease of car access and parking.

Stockley Park can in some ways be regarded as *sui generis*, because of its location embedded in Greater London and in the high-demand area near Heathrow, and so perhaps containing few lessons for elsewhere. This is

not in our view the case: one might say of Stockley Park (as did Webb of the USSR in the 20s) "I have seen the future, and it works" - because it is showing, under the effect of non-policy pressures, how this development product can adapt to the sort of pressures that even Package A might impose.

5. Main themes of advice

5.1 Investment strategies

In this section we try to summarise our view about sectoral implications, about which activities are most affected, which are relatively neutral, which ones need "defense" and which "offense" - i.e. where might you profit from seizing the initiative, and where are you better-off hanging onto existing assets.

Sectorally, it seems that office development, non-food shopping and leisure are the activities most affected by the expected emphasis of policy, and particularly by the tighter "Package A" elements. In these sectors, it will be worth considering different investment choices; whereas in most others it is more a matter of nuance and what might be seen as cosmetic changes to presentation of schemes.

In the short term, "Package B" would tend to suggest investment in existing properties which do have ample parking: because new development of this kind will find it much harder to get approval. In the longer term, if the tighter regime of Package A were to be brought in, the financial costs of carrying this space might cause it to be re-examined.

- Locationally, the especially interesting places seem to be:
- Hemel and places like it, helped by the mixture of already-good location, compactness and centrality in relation to public transport
- London's suburban centres, especially Croydon, which meets all the criteria perfectly and has a large stock of tired under-rented offices
- secondary centres in the regional cities, where there may be opportunities to work imaginatively in partnership with local councils to create new focal points, and new value, if the opportunities can be spotted and the relationships built on a reasonably exclusive basis
- Thurrock, where development potential is considerable under any scenario and indeed at its most interesting under Package A.

We need to consider, too, whether occupiers will back the policy thrust. In summary, we believe that, given the long-term transport trends and assuming careful incremental implementation of policy, this will not be very important, because:

- increasingly, end-users will recognise the trends (as the food retailers have done)

- there are substantial outstanding permissions in most sectors in most areas, which will take time to implement and which mean that there is no prospect of a sudden break in development trends
- "Peak spreading" of all kinds (as in the superstore usage pattern; as in Stockley Park's intensification and shift of travel balance) contains a very large amount of hidden capacity before really hard choices have to be made.

In short, the car will remain king. It will have to share its crown, in more and more places, as time goes on - but there is no question of its being dethroned.

Attitudinally, however, investors and developers will need - if they are to get the most out of the imminent policy shifts - to change from just looking at opportunities "from behind the windscreen" (where can I park, what's the site area) to looking down from a balloon and saying "who's around here, how will they get to us, how we can help them?"

5.2 Representations

In this section we give our view about what to concentrate on in your representations to Government: what they might listen about, where you would be wasting your time, and what a common property-industry interest/position might be.

As we noted in section 3, our perception is that **policy** is set; it is implementation and measures that is the issue. It is also important to recognise that the policy is not to try to stop car use: it is to meet Rio commitments by stopping the inexorable rise in car use - to turn the trend line around.

The problem is that the rules of engagement have been unclear. Whilst a few occupiers (like the big food chains) have understood, most of the development and investment industry is responding more to the rhetoric and is concerned that the policy is unrealistic. The response from the local authorities has also been ambivalent: they tend to support the policy, but say to Government "it's more complicated than that" about the implementation and measures. This means that they give confusing messages to developers.

In our view, it is fruitless to respond in a way which opposes the policy itself. Any representations need to be in tune with the sustainability and social inclusion paradigms that matter to this Government. It will be useful to tell Government that local authorities' treatment of parking as a revenue milch-cow is contrary to its logical use as a tool of balanced transport/land-use policy; that their actions risk tilting your investment decisions even further in favour of out-of-town locations than hitherto; and that restraint policies which only hit central areas will have similar effects. It will not advance your cause (of viable, reliable investments) if Legal & General are seen to be simply "pro-car", because the Government and their advisers will just regard you as part of the problem when, by engaging in debate about detail/ implementation, you could be appearing as part of the solution: a key way to appeal to a Blair Government!

Nor do we recommend that you quote examples from North American practice, and certainly not as if it were industry standard. Examples of current investments which go with the flow - Swindon multi-modal; Bracknell centre upgrade - and of specific problems and possible ways of resolving them, will be much more likely to evince interest and thoughtful reaction.

6. The White Paper and beyond

The White Paper is now expected in "mid to late" June; any delay much beyond that point is unlikely: Parliament will rapidly be approaching the Recess, and a delay until October would then be necessary - but politically unacceptable. So a document with more trailing ends and more unanswered questions may emerge, if arguments are still raging internally; but it will in all probability emerge.

Our guess would be that the most likely (or least unlikely) set of policy outcomes is an approach which starts with something like Package B and raises the prospect (discussively) of some of the more radical elements of Package A, without actually proposing them for inclusion in the next round of legislation and guidance. So Parking Tax, or other mechanisms which bite on existing travel habits (as opposed to restraining the creation of more undesirable ones) may be seen as too politically risky for a first term, but worth putting on the agenda for later and as road conditions tighten.

As agreed, we will, within one week of publication, review Section 4 in the light of the White Paper's actual content, primarily with a view to judging which "Package" is now most probable and which key elements need your attention; and a short update will be prepared.

Llewelyn-Davies, London 18th May 1998