

The Daily Telegraph

Hands Off Our Land: top civil servant lands planning job

A senior civil servant at the heart of controversial planning reforms has been accused of cashing in on his position by accepting a lucrative job in the property industry.

Richard McCarthy, a director-general at the Department for Communities and Local Government, is joining Capita Symonds, which advises major developers on planning and construction.

The department said he was leaving his £180,000-a-year post after bringing about “major changes in planning”.

John Mann, a Labour MP, said Mr McCarthy’s move was “wholly unacceptable” and risked a major conflict of interest. Mr McCarthy said he looked forward to “cementing” his new employer’s reputation as a leader in the property industry and that he was “head-hunted at the start of this year” for the role.

Since then, he has been centrally involved in the Draft National Planning Policy Framework (NPPF), the Coalition’s move to rewrite planning rules in England. The framework has been widely criticised as too favourable to the building industry and ministers admit it is meant to increase development significantly.

Critics of the reforms, which include the National Trust and the Campaign to Protect Rural England, say the framework is effectively a developer’s charter.

Mr McCarthy’s appointment as executive director at Capita Symonds will renew concerns about close links between policymakers and the industry. Earlier this month, The Daily Telegraph disclosed an email from building lobbyists saying that the Government’s aims “align with ours”. On its website, Capita Symonds boasts of its role in major developments, ranging from the BBC’s Media City complex in Salford to a roundabout on the M4, as well as several major housing projects.

Mr Mann said Mr McCarthy should at least be made to wait a “substantial” period of time before taking up his new job. “The danger is that you prepare the ground in government and then you leave and profit personally from your earlier decisions. To move directly from one job to the other is wholly unacceptable. There needs to be much stronger rules so that civil servants are made to wait for a very substantial period before taking up jobs like this,” he said.

In a statement issued by his new firm, Mr McCarthy, whose current job title is Director-general of Neighbourhoods, said: “I am looking forward to driving the business forward in this sector and further cementing Capita Symonds’ status as a leader in delivering a wealth of property and

infrastructure solutions.”

He later told *Building* magazine: “There is absolutely no connection between this and the timing of planning reform. When an opportunity comes you can’t wait for everything to finish before moving on.”

According to departmental logs, Mr McCarthy received hospitality from several major property companies in the months before the NPPF’s publication in July. In January, he attended a “working dinner” funded by the Major Housebuilders Group. In February, he recorded a “working breakfast” from Grainger Plc and another breakfast in March from Jones Lang LaSalle.

In April, Mr McCarthy bluntly warned councils that, unless they drew up clear rules to curb development, a new “presumption in favour of sustainable development” would apply to their areas under the planning reform rules.

He told council leaders and building executives: “The presumption creates a bit of a push factor. You want to shape your place? You want to determine how development is going to occur? Get on and plan.”

Sir Bob Kerslake, the permanent secretary at the local government department said Mr McCarthy had “made a huge contribution to the work of the department over a long period, and has led on the introduction of major changes in housing, planning and regeneration.” Mr McCarthy, who takes up his new post in February, did not respond directly to enquiries about his new role.

His departure comes at a difficult time for the department. Later today, senior officials from the National Trust sit down for the first time with Greg Clark, the planning minister, to discuss changes to the planning framework. Mr McCarthy’s salary in his new post was not disclosed, but is expected to be well above his Civil Service package. According to his department’s 2010-11 accounts, he was paid a salary of up to £179,000. He also received a bonus of at least £10,000.

During eight years at the department, he also amassed a pension pot worth almost half a million pounds. The accounts show his fund was worth £476,000, last year, enough to give him a pension of up to £35,000 a year.

A spokesman for the department denied any impropriety in Mr McCarthy’s move. Civil servants taking jobs in the private sector are vetted by the Advisory Committee on Business Appointments, which typically insists that former officials may not directly lobby the Government for 12 months after taking up their new post.

The spokesman said: “The appointment was referred to the Cabinet Office and was approved by the independent advisory committee as is the case for all senior civil servants who leave government. Richard McCarthy will serve a three-month waiting period before taking up his new position.”

A spokesman for Capita Symonds said Mr McCarthy would not be working with his old department or the Homes and Communities Agency. “His role is to target wider central government opportunities for Capita Symonds,” the spokesman said.