Autumn 2010 saw a new glossy magazine called “more” launched on behalf of Allan Bell's Department of Economic Development.

Designer and publisher Keith Uren declares it is “aimed exclusively at attracting wealthy individuals to the Island by highlighting the style of sophisticated living it has to offer”.

According to Mr Uren, who is a highly experienced publisher of magazines covering business, motoring, travel and property, it is “a subtly effective marketing tool for the Department to assist high net worth individuals in becoming domicile in the Isle of Man”. Prominent in the articles on luxury goods, premium motoring and latest technology is a section "showcasing the Island's most exclusive properties”.

But hasn't Minister Bell, for months, been bemoaning the fact that the housing stock doesn't have the dwellings to suit such rich people? In a radio interview he stated “if we do not modernise our planning system and ensure that it takes into account real economic needs and the wider need of the economy, then once again we will be falling behind our competition and losing very valued business”.

It is generally accepted that improvements need to be made to the planning system so that we have a robust planning policy framework on the Island that is easy for everyone to understand and unambiguous for the planners to interpret. The All Island Strategic Plan, which came into force in 2007, went some way towards achieving that; and the proposed area plans will take the process a lot further. But progress has been very slow and the first area plan won't make it to Tynwald before the General Election. There are suspicions that there are forces at work that would like to see the area plans ‘kicked into the long grass’ as the area plans would make it more difficult to obtain planning consent for properties outside recognised sustainable settlements, which is what Mr Bell’s ideas would entail.

Indeed Mr Bell recently declared that he would like to see responsibility for Planning moved to within his Department of Economic Development. That would result in ‘advocate’ and ‘judge’...
being in the same Department! His Ramsey colleague, the Treasury Minister Mrs Craine, apparently supports the move!

But is the planning system really hampering economic progress? It is already a policy of the Planning Department that planning applications for projects that would bring significant economic benefits to the Island be given priority. So what is currently holding up “the need of the economy”, for example the major tourism development at Mt Murray, consisting of an apart-hotel and casino? Not planning, which was approved quickly, but an application for a casino concession, which was made over 15 months ago, and the Council of Ministers is still prevaricating.

Apparently, Mr Bell has convinced some, but not all, of his colleagues in the Council of Ministers that the current planning laws need modifying to enable a limited number of homes to be constructed annually outside the current policy framework to attract high value individuals to the Island. We understand that the Department of Infrastructure, which has responsibility for Planning, is against the idea.

So is there any truth in the assertion that the current housing stock doesn’t have the dwellings to suit such rich people? And, therefore, does this justify moving towards a two-tier planning system? Trawling the websites of nine Island Estate Agents and eliminating the duplications reveals 158 properties for sale at £1 million and over. Many of these are very large and/or with extensive grounds and/or in countryside locations. The breakdown is as follows:

- Properties for sale at £1m or more but less than £2m - 105
- Properties for sale at £2m or more but less than £3m - 35
- Properties for sale at £3m or more but less than £4m - 9
- Properties for sale at £4m or more but less than £5m - 5
- Properties for sale at £5m or more - 4

In a previous article ("Towards a Two Tier Planning System?") we pointed out that of around 700 house sales on the Island in 2010 only about 15 properties changed hands at above £1 million. Neil Taggart, Director Residential Sales, Chrystals Estate Agents provided this information, so we can assume that it is reliable.

A current housing stock of 158 properties for sale at £1 million or more, with only around 15
properties changing hands each year, represents about 10 years' supply!

So, where is the shortage? Where is the need for a two-tier planning system? And are the proposals from Mr Bell and his supporters just a cynical attempt to ‘drive a coach and horses’ through the planning policy framework so that certain individuals can ‘make it up as they go along’ for their own benefit and with all that stems from it?

Here's our challenge to Allan Bell.

You state that the Tax Cap, introduced in 2007, has been a success. Please state how many 'qualifying' new residents have been attracted to the Island as a result since then. What new businesses have they established since coming here and how many new jobs have been created?

Please release the survey information your Department gathered about rich people rejecting coming here, because suitable housing is not available.