

**Michael Edwards draft number 4 for PiL
Forthcoming in *Planning in London*, spring issue 2006
BSP, UCL + LP&DF seminar 1 February 2006**

2988 words including notes

**What if...
the next London Plan were better?**

This seminar and series of papers aims to initiate professional debate about how the forthcoming London Plan Review process should differ from the original 2000-2004 process which led to the first spatial development strategy, *The London Plan*. This paper, the first in the seminar, refers to a large number of desiderata which have cropped up in recent meetings, expanding on those which are not taken up more fully by other contributors' papers.

The paper covers issues of procedure, of substance and of planning methodology.

Universities....

First, though, a comment on universities. London is very strong on universities and there should be a variety of fruitful relationships between them and the plan. The GLA team has commented, however, that they have found the higher education sector (HE) frustrating to consult, whether as a major sector of the economy or as source of ideas and expertise. We need to put this right [and it was good to hear that the Mayor was to hold a meeting with London's HE sector the day following our seminar]. One dimension of this is that universities should be a place for critical debate about planning, as about everything else, and the universities have not been discharging this responsibility very well. LSE and UCL do a bit, East London and Kingston contribute useful work on their sub-regions but I have a strong belief that awkward questions are not being asked often enough or well enough, and that the arrangements for critical engagement with the plan are underdeveloped. The present seminar is designed partly to correct this failing.

For a great city to plan its own future is a really major challenge in self-education and universities have hardly started to consider how their resources could be deployed to help Londoners, and the institutions of civil society in London, to widen and deepen our understanding of urban processes and of the options before us. In today's target-driven environment of public services (rather Soviet-style in lots of its effects), we have to reach and exceed the outputs set by government plans – for teaching, for profitability and for 5-star research. Contributions to public education and enlightenment do not figure as required outputs, which is wrong and needs to be addressed.

TINA and the planning procedures...

There has been, and remains, a democratic deficit in the production of plans in London.

The London Plan was a very bossy kind of planning in which we were effectively told that there is no alternative. London (i) has to welcome all the GDP and population growth in prospect, (ii) has to fit it within the green belt, (iii) has to concentrate much of the incremental employment in the centre and (iv) expand its transport networks to support this structure. None of these propositions is self-evidently true, indeed all are highly controversial and all have downsides and identifiable losers. Attempts to challenge these propositions, or seek to explore strategic alternatives or marginal alterations met with negative responses during the planning process and in the Examination in Public (EIP). We were effectively told that other scenarios had been explored and rejected, that mobile investment would go elsewhere or that we didn't understand. Certainly there was not much time, we 'outside the tent' were disorganised and the team did a heroic job in producing a plan so fast. But it was hardly a case of a city and its leaders exploring options for the future.

It is a profound weakness that the *Statement of Intent* on the plan review (Mayor of London 2005b) envisages a *Plan* which will be fundamentally the same: essentially the "vision" (i.e. the main objectives) is to remain unchanged, which would pre-empt most of the important discussions. The only real opening I can see for reconsidering the fundamentals is the new importance attached to sustainability, or at least to energy and global warming. Our hope is that, through this window, or otherwise, we can give the team un-answerable grounds for reconsidering some basic issues.

Perhaps a second opportunity may lie in the EU directive on Strategic Environmental Assessment, now incorporated into the mandatory *Sustainability Assessment* in the British system. I am not a lawyer but my impression is that the GLA will now be bound to elaborate and evaluate alternatives to major policy directions, the more so if key strategic alternatives are drawn to their attention at this early stage.

Substance...

Housing problems of the London region

London's growth is a poverty machine as well as a wealth machine, with much of the impoverishment being generated through the intensifying pressure of prices, rents and insecurity on low- and middle-income households. A few households (but only selected workers in the public services) can gain privileged access to housing as 'key workers'. Many more survive through housing benefit (though at a high and mounting cost to the exchequer, and with a severe 'benefit trap' effect). While we struggle to secure more social rented dwellings through Section 106, we lose stock through the Right to Buy and various privatisations. Furthermore many of the 'affordable' dwellings secured through S106 are not for social renting and many are mean in size or in local amenities.

High housing costs are bad for business too, adversely affecting the recruitment and retention of staff in many sectors of the London economy and pushing salaries up in many cases. Both results are damaging the competitiveness of London's enterprises.

Many of us consider that the gravity of these problems is not appreciated within the plan (though the analysis is often better than the policy proposals) and that we need a complete re-think of growth strategies, tenure policy, subsidy regimes and land policy. The Mayor's quest for additional housing powers might help but not enough.

A recent paper delivered by Joseph Gyourko and others at the LSE argued that US cities which combined strong growth with very restrictive land supply had experienced a spiral of housing price rises (driven by buyers' expectations) which led to them squeezing out their low-and middle-income populations – effectively becoming cities in which only the rich can afford to live. This is equally true for London, as many of us have been pointing out for a long time, and we must insist that this crisis is tackled head-on and resolved. So there is a lot to do on housing.

Over-centralised employment and transport

Many of the issues of substance being raised in today's seminar are calls for more polycentric or diffused options for the employment structure. There are a number of strands to this argument which I could summarise as follows, with not all of us emphasising the same points, but Drummond Robson picking up many of them:

(i) If we want a London in which there is less need to travel (or less need to travel far) then more services and jobs (i.e. more destinations) need to be closer to where people live, which is overwhelmingly in the suburbs.

(ii) The infrastructure (and discomfort) costs of radial tidal-flow transport are high. Expanding capacity on the scale necessitated by the London Plan may be beyond our ability, or at least may be a bad investment compared with measures to improve orbital and inter-suburban transport. Peter Hall is a great source of inspiration on this issue. It's good to see his 'orbirail' proposal approaching fruition 15 years or so after he first floated it at the Land Use Society. It is also the subject of his paper in this seminar and of another (beyond the GLA boundary) published recently in *Town and Country Planning* (ref). I suspect there would be strong support in TfL if they were enabled to work on anything other than implementations of the London Plan mark 1.

(iii) I venture the hypothesis that we are losing a lot of employment in the suburbs through the switching of land use to residential. I also venture that this employment is disproportionately in the less sexy sectors (with low value added per worker) in which a lot of our less-qualified workers are employed and in

which many of those now outside the labour market would have best prospects of employment. Furthermore the products of these less exciting sectors are among the services which London needs. Where will you get your car serviced when all the garages are replaced by flats? Where will the salmon be smoked?

Where the jobs are in office buildings, this shows up as a failure of investor interest in suburban office markets – a topic on which my colleague Suzanne Maguire is working at the moment with Martin Simmons.

(iv) We have a huge unused capacity for reverse commuting which could better be taken up if we had more central area housing and more jobs at suburban nodes.

(v) If we take a broader regional view, as Martin Simmons argues in his paper here, there are numerous opportunities for a healthier symbiosis with adjacent areas, incorporating a good deal of London suburban employment growth.

(vi) The centralisation of growth is leading to intensified gentrification and business displacement in the central area fringe as we know from work at Kings Cross and elsewhere, and as the planning team fully admit in the Sub Regional Development Strategy for the Central Area (Mayor of London 2005a, para. 19).

More generally there is also the point of view that the planning system should work to even out disparities in accessibility since the market will be the determinant of who gets the best locations – and cities with fewer internal disparities will be fairer, more democratic ones. This was the guiding principle of Cerda's famous plan for Barcelona and of its new plan in the 1970s.

We also have to acknowledge that polycentric cities only develop with some pretty strong planned interventions to structure the market. The success of Paris in promoting La Défense and Marne-la-Valée reflects in part the constraints imposed on central area growth. In contrast we should also note the total defeat of Friedmann Kunst's 1990 plan for a newly-unified Berlin by the unwillingness of the planning authorities to prevent the gadarene rush of private investors to Potsdammerplatz and of the state to the new government centres. We need a bit of planners' nerve and politicians' leadership here.

Lower growth paths

The plan really does need to explore other demographic, economic and housing forecasts and scenarios. It may be too optimistic in the short run to hope that we could investigate better balances of growth and prosperity within the UK. The government espouses only the ultra-modest ambition of 'reducing the disparities between regional growth rates' so on this point we have to work for a change of thinking at national level. But the fact remains that our regional growth is partly at the expense of the rest of the UK (Amin, Massey and Thrift, 2003).

This may sound magnanimous, and it is probably unrealistic to expect Mayors to give growth away. But it is not self-evident that Londoners themselves are best-off with the highest growth rates.

Part of the argument for the investigation of alternative futures is that benefits would flow from lowering expectations of housing price rises, helping to stop or reverse the spiral which brings us such severe housing problems.

Diversify economy [with the LDA]

The spatial development strategy is supposed to unify in spatial terms the other strategies and its weaknesses on the narrowly-defined 'economic' front reflect weaknesses in the way the LDA works (or perhaps GLA Economics: it is sometimes hard to tell). (A bit of genetic diversity in economic analysis is always good, but part of the genome is missing.)

Specifically, the economic issues which need better treatments in the plan include the following:

(i) Alongside the focus on Finance and Business Services (FBS), the plan must explore supportive strategies for labour-intensive sectors, SMEs and minority enterprises. It must be a high priority to raise productivity and wages in the non-sexy sectors referred to above. We have millions of people working in retailing, driving, catering, utilities, social care and maintenance activities, mostly on low pay and mostly delivering services without which London's high value-added sectors would founder. I don't see anyone paying much attention to these activities or to ways in which we could plan to raise productivity and wages there. Housing and council tax benefits, tax credits as a subsidy to low-pay employers, the residue of council housing and endless supplies of migrant labour from across the world help us to avoid the issue. But it is wrong to do so and London is missing a trick by not innovating in these areas.

(ii) In spatial terms this issue links with the displacement of economic activity by over-priced housing. It also links with some awkward planning problems like the survival of retail and formerly retail space along main arteries and with planners' obsession with 'town centres'.

(iii) We surely need to explore alternative global contexts in which, for example, oil prices become radically higher, the WTO regime slows down, air travel taxes become significant, real interest rates get high or pandemics strike... The possibilities are extensive but not endless. Their importance is to focus our minds on the robustness of the economy of London and what we can do to inoculate ourselves against foreseeable crises.

Thames Gateway implementation (1)

We are clearly failing to capture rising development values to pay for infrastructure, services and continuing management and community life and this

could make the Gateway project very unsatisfactory. We know that urban development produces huge financial gains in the medium and long run. Not in the short run, especially where there are infrastructure deficits, toxic soils and weak market demand to start with. In this context, Section 106 will miss the growth in market values and leave collective needs chronically under-funded. We know how to do it from British (new towns), French and Dutch experience, but we lack the nerve.

Thames Gateway implementation (2)

It also seems fairly certain that we are failing to get the urbanisation structure right for the Gateway. In particular we risk seeing the land parceled up (or already held in parcels) between the main roads so that each parcel is designed and developed as an enclave. We know from experience in Milton Keynes (Edwards 2001) and from Michael Hebbert's work (1998) that this kind of development produces nothing but trouble: dysfunctional main roads, dangerous neighbourhoods, poor shopping and services, adverse conditions for public transport and monotonous densities. The configuration principles required to ensure better development are not likely to figure in any level of plans and there is no discussion of such matters yet in the *London Plan*.

Planning methodology

Finally a comment on what may appear to be just a technicality but is actually of profound importance. The London Plan of 2004 is based entirely on projections of the future, i.e. on thoughtful and careful extrapolation of past trends – for population growth, employment growth by sector and so on. In this approach, each projection is a free-standing statement of expectations and there are some problems with it. Do you exclude cyclical fluctuations? How far back do you start? But most seriously the snag is that the projections are independent of each other.

Thus we cannot ask any "What if...?" questions. What happens to house prices if we vary density? How would central area employment vary with or without Crossrail 1? How much social housing would we need to keep homelessness down to a particular level? What are the positive and negative energy impacts of a more polycentric plan? These are the kinds of questions Londoners rightly ask, and which were asked by many objectors at the EIP in 2003.

To tackle such questions we need to set up a modeling approach to forecasting alongside or instead of the projections and that is what I would urge the planning team to consider. Modeling techniques have weaknesses, just as projection techniques do, but this is another area where London could innovate and make a better plan in the process. Without conditional forecasts we are prisoners of the trends.

Colleagues here in UCL have been developing another approach as well: 'backcasting' in which we first establish where we need to be in some future year (e.g. in terms of energy use) and then work backwards to see what changes we

need to make, and when, to get there (Banister 2006). This too could be a useful technique, especially given the intention of the London Plan Review to re-think global warming issues fundamentally.

What if....?

What if the Plan Review does not tackle the issues summarised here? I suppose some of us, in our professional offices, our universities and elsewhere will have to attempt it ourselves. But we shall necessarily have second-best data and very little spare time so we might not do it properly. Our work could be dismissed as soft and un-quantified. If the Mayor's planning team would take this agenda on board I for one would be delighted and the plan would be a better one.

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