

planning and growth

Graham Haughton looks at the recent history of planning for economic growth and considers how localism might shape up in the face of expectations that changes to the planning system will help to meet the national growth agenda

Since the Thatcherite nadir of anti-local government sentiment and distrust, every in-coming national government has proclaimed that it is time to re-empower local government and bring power closer to the people. In the case of the Coalition Government, the promises have come cloaked in talk of the 'Big Society' and localism. By contrast New Labour talked of a 'double devolution' dividend in which powers would cascade down to lower levels of government and involve community empowerment.¹

While there has been much talk of granting greater powers to local government, in practice the 1979-97 Conservative Governments, successive New Labour Governments and now the Coalition Government have all seemed to favour some form of para-localism, running alongside local government. In effect this involves the strategic and selective empowerment of certain new local governance formations. These typically do not align with existing territorial boundaries and bring together new constellations of actors in some form of public, private and civil society partnership.

For the Conservative Governments of the 1980s and 1990s, this tendency to give preferential treatment and resources to bodies other than local government was evident in the creation of policy vehicles such as the private sector led Urban Development Corporations (UDCs), which were given planning powers in an experiment in making planning more market-sensitive. In addition, the private sector led Training and Enterprise Councils (TECs) were encouraged to move into local economic development policy. Parallel to the rise in quangos (quasi-autonomous non-governmental organisations), was a selective distrust of and antipathy towards local government, most evident in the decision to abolish the Metropolitan County Councils in 1986.

New Labour came to power in 1997 promising to cut back on the so-called quango state created by

its predecessor, only to re-invent it in its own image. With some fanfare, the UDCs and TECs were wound down. But in practice local government was only selectively re-empowered, with much of the 'double devolution' dividend ending up with new quangocracies, meta-regional organisations such as the Northern Way and Thames Gateway, non-elected Regional Assemblies, set up to produce Regional Spatial Strategies, and private sector led Regional Development Agencies (RDAs), set up to devise and deliver economic development policy.

In addition there were sub-regional initiatives, such as city-regions, and a whole host of new local partnerships, from Urban Regeneration Companies to Housing Market Renewal Pathfinder and a re-minted version of UDCs, set up under the Sustainable Communities Plan of 2003. County Councils were stripped of many of their planning functions.

Many of the new institutions of sub-regional governance were, for the most part, not co-terminous with the boundaries of local government, nor were they accountable to local electorates through the ballot box. In many cases, the intention appeared to be to promote growth by side-stepping the perceived tardiness of planning or the excessive protectionism of local government bureaucracies. The new 'soft space' governance arrangements appeared to hold the prospect of fostering creative thinking and breaking out of the rigidities and predictability found in most planning consultations.²

Sensitive to accusations of democratic deficits, New Labour expected these new bodies to work with local government, not least through engagement with Local Strategic Partnerships and the formal planning system. Indeed, the creation of local-area Sustainable Community Strategies was intended to join up the strategies of the various governance bodies in a locality and provide some level of local accountability. But in practice these

consensus-based forms of strategy had a patchy record, tending to coalesce around easy-to-agree-upon forms of activities while avoiding intractable policy problems.

In fact, New Labour did much to try to carve out its own vision of localism, albeit a troubled one that was strong on rhetoric and limited on delivery.³ Gordon Brown wrote in 2008 about New Labour's desire from the outset to bolster local government and the attempts made to reduce the numbers of targets set by central government.⁴ However, the new Coalition rode roughshod over its predecessors' pro-community credentials, pointing to what it claimed was New Labour control-freakery, exercised through its target-setting culture and distrust of individuals, communities and local government. This time, things were to be different: communities really would be empowered.

Shock and awe or 'creative destruction'?

One of the features of the British system of government is the dramatic policy swings that can come about following national elections⁵ – in contrast, for instance, to federal Germany, where clear formal powers are vested in the *Länder* that make it impossible to impose such rapid turn-arounds. In Britain planning is almost a paradigmatic example of a sector used as a 'political football', one that every incoming administration likes to use to

'In Britain planning is almost a paradigmatic example of a sector used as a 'political football', one that every incoming administration likes to think it can use to explain the failings of the previous administration and demonstrate its own radical credentials'

explain the failings of the previous administration and demonstrate its own radical credentials. This makes for a bruised sector, used to multiple reforms intended to 'cure' a problem that has been ill-diagnosed.

The incoming Coalition Government quickly announced a series of major reforms for planning in what appear to have been 'shock and awe' tactics, setting out some radical options early on rather than attempting to bring in reforms step by step. An attempt to revoke regional planning with immediate effect was made in July 2010 in a widely reported

announcement to local authorities.⁶ The legality of trying to repeal legislation this way was subsequently successfully challenged in the courts, but it set the tone for much that was to follow.

With the financial crisis of 2008 onwards the previous growth model inevitably came under intense political and media scrutiny – how had this been allowed to happen, and could things ever be the same again? If this was to be a Schumpeterian moment of 'creative destruction' within capitalism, what was to be destroyed and what was to replace it? While most politicians accepted the need to improve regulation of the financial sector, the opposite remedy was felt by some to apply to planning. The complicating factor here is that planning was fully implicated in the unsustainable housing boom and in over-provision of poor-quality new build, particularly in city centres outside London, where property prices and rents often plummeted in the recession.

For influential lobbyists such as the pro-market think-tank Policy Exchange,⁷ Britain's growth problems lay not in market dysfunctionality but rather in state dysfunctionality, in particular poor-regulation or over-regulation and state gigantism.⁸ If the problem was the big state, then the solution seemed obvious to some: the small state, in which state activities and state regulation was radically restructured and cut back.

Whatever the inspiration, the Coalition Government's localism agenda took aim at the heart of New Labour's planning system as an emblematic arena of over-regulation, and quickly felled much of it. The bitter pill of cuts in planning jobs in local and central government was sweetened with talk of reconnecting planning to democratic politics. Democratic deficits, it was argued, justified abandoning regional planning without any consideration of alternatives. The Infrastructure Planning Commission, set up as a New Labour quango to decide on major infrastructure planning decisions, was to be brought back into government and made accountable to Ministers and Parliament.

The Localism Bill was introduced to Parliament in December 2010, containing the Coalition's formal proposals to abolish regional planning and to encourage the creation of Neighbourhood Plans. The Bill attracted considerable professional and technical debate and intensive political scrutiny in front of a House of Commons Select Committee, but only limited public and media attention. By contrast, the draft of the National Planning Policy Framework (NPPF), replacing the existing system of Planning Policy Statements (PPSs) and issued in July 2011, generated a huge media response. The NPPF proposals were first worked on by a small 'practitioners advisory group' rather than civil servants,⁹ then reworked through the civil service system to emerge as the published draft NPPF. Greg

Clark, the Planning Minister, explained something of the rationale behind the document in his Foreword:

'...in recent years, planning has tended to exclude, rather than to include, people and communities. In part, this has been a result of targets being imposed, and decisions taken, by bodies remote from them. Dismantling the unaccountable regional apparatus and introducing neighbourhood planning addresses this.

'In part, people have been put off from getting involved because planning policy itself has become so elaborate and forbidding – the preserve of specialists, rather than people in communities.'

This statement hints at something of the disquiet felt by many that planning had failed to adequately engage with the communities it was intended to serve, despite all the efforts put in to encourage greater public participation. Part of the reason, as Greg Clark indicated, lay in the system being all but closed to those who could not access or understand the reams of official government advice.

But also implicated was the fact that in practice planning by consensus provided what often turned out to be fragile agreements between the willing or those who felt they had little alternative but to sign up. Those with views that lay outside the mainstream consensus around promoting high levels of economic growth found their objections and alternatives marginalised, leaving them with little recourse save appeal through judicial review. It was mainly the well-connected who found their way to the planning partnership table, it seemed, and equally only the well-resourced who were in a position to object to planning decisions.¹⁰

The draft NPPF represented a radical streamlining of national guidance, from over 1,000 pages in the combined PPSs to just 52 pages. The widely heralded presumption in favour of sustainable development attracted particular consternation in some quarters, amid fear that sustainable development was being elided with sustainable economic growth.¹¹ With reduced national guidance and the abolition of regional planning, the role of Local Plans, produced by local government, becomes much more important in the overall system. More than this, the intention is that by reducing the strictures on how Local Plans are produced, they can once again become the vehicles for more creative thinking. Below the Local Plan level, Neighbourhood Plans can be instigated to add further guidance, if local communities or businesses can muster sufficient support for this option.

It is hard not to conclude that, despite some good intentions, the new system is a lawyer's dream – a ready stream of business to resolve the ambiguities and contradictions of the new system is in prospect. The proposals rapidly came under critical scrutiny from a sustained campaign led by the National Trust, both on its own and as part of an alliance of

environmental NGOs, with a parallel supportive campaign led by the *Daily Telegraph*. The proposals, it seemed, played well to the development lobby but struck horror into the heartland of Conservative electoral support. This is very similar to events in the late 1980s:¹² those who cannot remember the past are doomed to repeat it, as the saying goes.

Localism – we can work it out

Brian: You don't need to follow anybody! You've got to think for yourselves! You're all individuals!

The Crowd: Yes! We're all individuals!

Brian: You've all got to work it out for yourselves.

The Crowd: Yes! We've got to work it out for ourselves!

Brian: Exactly!

The Crowd: Tell us more!

Brian: No! That's the point! Don't let anyone tell you what to do!

From *Life of Brian*

This scene from the Monty Python film *Life of Brian* was related to me by a senior civil servant in summer 2011 as we talked about the difficulties of reigning in the role of central government as part of rolling out the localism agenda. From this perspective, part of the problem faced by the Government in reducing its role in prescribing what local authorities could and could not do was that many in local government seemed either reluctant to believe they could get on and make policy up, or secretly wanted to be told what to do. Alternatively, perhaps some felt that localism was something of a poison chalice, since if things go wrong it is local government that would face the blame.

To the frustration of Government Ministers, their 'shock and awe' proposals for planning reform did not overwhelm the opposition and if anything seemed to have made enemies out of some of those who ought to have been natural allies. As often seems to happen in warfare, blustering attacks eventually led to a regrouping and counter-attacks.

It is unlikely, indeed impossible, that all the confusions and contradictions in the new system will be resolved in the near future. The Government has adopted an almost hippy-ish, anarchic approach to how their reforms will map out at the local level, in stark contrast to New Labour's prescriptive tone.

Some non-democratic bodies have been scrapped, but the Government has called for the creation of business-led Local Enterprise Partnerships (LEPs) instead, with vague statements that they can also work strategically on planning-related matters if they feel they want to. Embryonic LEPs were allowed to choose their own geographies, boundaries could overlap, and areas could, if they wished, do without a LEP at all. Very non-prescriptive – but not really. The Government was increasingly drawn into the process, deciding not to give the go-ahead to some LEP proposals, for instance.

Under the Localism Act, Neighbourhood Plans can be instigated by either groups of local people or, in a new policy direction, by groups of businesses. They can be adopted by referendum on a simple 51% majority vote. That some areas might not want or be able to afford to develop a Neighbourhood Plan is seen as largely unproblematic, since Local Plans should still be in place to provide broad guidance – if communities are happy with that, so be it, is the official view.

We can expect to see more Neighbourhood Plans come into being,¹³ but what can be put into a Neighbourhood Plan will inevitably be circumscribed. How much is permitted or not is still an open question, raising fears that there will be a return to central patronage, as local communities go cap in hand to find out what they can and cannot do. Neighbourhood Plans do not replace or override Local Plans; rather they are in effect supplementary. There will be many whose hopes for greater autonomy will be dashed against this reality.

There are several elephants in the room as localism takes centre stage. First and foremost there is the continuing economic and political centralism of the UK, including tight Treasury control of the core governmental agenda for promoting high economic growth. What is never really clear is what the re-shaping of central government really entails – what is it that government will *not* do in the future that government has done in the past. Not too

government and local communities, working against the odds to make things work for their area.¹⁴

What kind of growth?

Following the revised growth forecasts in the autumn 2011 Budget Statement, the UK now faces the prospect of five to seven years of low growth or possibly even shrinkage of the economy. With inflation, many people will see their real standards of living fall. This is clearly problematic, but it does also create an opportunity to think again about what kind of growth we want and for whom. If we are to make sacrifices as a society to re-bolster growth, which social groups and which areas are being asked to sacrifice most?

Much of my own recent work has been critical of planning under both the New Labour and the Coalition for the use of fuzzy concepts as deceptive rhetorical devices¹⁵ and for pushing through an agenda for high economic growth that has been blind to growing social inequalities – some people, some areas have benefited more from this ‘growth’ than others. There is a long tradition of alternative ways of thinking about growth that is now largely unheard, recently brought together rather nicely in work on what has become known as ‘de-growth’.¹⁶

In fairness, there has been some progressive thinking about growth under both New Labour and the Coalition, as many politicians readily accept that GDP is a crude measure of economic growth that can send the wrong signals to policy-makers, not least where growth is accompanied by greater social division or depletion of non-renewable natural resources.

Recognising this, there has been some progress towards developing alternative measures of well-being and, perhaps most media-worthy, happiness. While influential at one level it has yet to dislodge the dominance of the neo-liberal growth model.

What did the regional planners ever do for us?

‘All right, but apart from the sanitation, medicine, education, wine, public order, irrigation, roads, the fresh water system and public health, what have the Romans ever done for us?’

From *Life of Brian*

One of the most startling features of the planning debate since the Coalition assumed power has been how easy the Government has found it to argue that the previous approach to planning failed, and to blame this on New Labour. There were several elements to this critique, notably the democratic deficit in planning arrangements, best exemplified by Regional Spatial Strategies which had statutory status but were not accountable to a regional tier of government.

Against this background, those promoting Labour’s planning policies have spectacularly failed to provide a counter-narrative with which to defend the previous

‘It is sheer opportunism to ask ill-resourced local groups to identify and rectify deep-seated problems that have defied generations of experts’

surprisingly, most commentators across the political spectrum welcome some or even most of the localism agenda, while remaining sceptical of the likelihood of government not interfering when things don’t work out as it would wish. There is widespread concern that the ‘presumption in favour of sustainable development’ is a sleight of hand intended to allow development to go ahead without adequate scrutiny and accountability.

Finally, there is the intellectual fraud of selling localism as empowerment without giving either local government or neighbourhoods adequate resources to take forward their plans. It is sheer opportunism to ask ill-resourced local groups to identify and rectify deep-seated problems that have defied generations of politicians, experts and community activists. Such solutions as there are will come from good leadership within local

10-20 years of planning reform, including the rise of regional planning since the early 1990s. Search the professional press and you will find that, to date, little convincing has emerged to show what the former system achieved (or to argue that, given the emphasis on strategic approach, it needed more time to prove itself). Instead, there is an almost naïve rush to work with the new system or to 'go back to basics' and argue for the fundamental principles and beliefs of a visionary form of planning.

Surely the time is ripe for an independent assessment of regional planning, if only to ensure that similar mistakes, if they were made, do not occur again in the future?

'Surely the time is ripe for an independent assessment of regional planning, if only to ensure that similar mistakes, if they were made, do not occur again in the future?'

In answer to the question posed in the title of the recent Smith Institute book, *Changing Gear – Is Localism the New Regionalism?*, the answer must be 'yes', in one sense at least. Localism is being weighted with expectations and aspirations that it cannot possibly meet, so in time it will implode under its own contradictions, as patience runs out with local actors going their own way and not pulling behind the national growth project. If the past is anything to go by, then any failure to deliver more or faster growth will be blamed on soft targets such as planners and 'bureaucrats' – after all, politicians are unlikely to turn on their electorate and say they are to blame. Nor are national politicians likely to admit freely to their own failures.

But the answer to the question is 'yes' in another, deeper sense – localism is essentially a particular way of redistributing power and responsibilities involving the strategic and selective actions of central government. When it no longer suits the current or a future government to privilege 'localism', then a new sub-national scalar 'fix' will be found – this may turn out to be regionalism redux, city-regionalism reincarnated, or localism re-invented once again. In this sense at least, localism will turn out to be the new regionalism – a re-hash of governance roles, in which over-simplistic claims are made about the radical potential of a particular scale of government to solve long-standing, deep-rooted issues, rather than an acceptance that effective multi-scalar governance requires a more enduring agreement on how to share roles and responsibilities.

● **Graham Haughton** is Professor of Urban and Environmental Planning at the School of Environment and Development, University of Manchester. This article is a shortened version of a chapter in the Smith Institute's recent publication, *Changing Gear – Is Localism the New Regionalism?*, edited by Michael Ward and Sally Hardy (see www.smith-institute.org.uk/file/Changing%20Gear.pdf). The views expressed are personal.

Notes

- 1 See J.S. Davies: 'Double-devolution or double-dealing? The Local Government White Paper and the Lyons Review'. *Local Government Studies*, 2008, Vol. 34 (1), 3-22; and *Communities in Control: Real People, Real Power*. Cm 7427. Department for Communities and Local Government. TSO, 2008
- 2 G. Haughton, P. Allmendinger, D. Counsell and G. Vigar: *The New Spatial Planning: Soft Spaces, Fuzzy Boundaries and Territorial Management*. Routledge, 2010
- 3 'Double-devolution or double-dealing?' – see note 1
- 4 *Communities in Control* – see note 1
- 5 B. Waterhout, F. Othengrafen and O. Sykes: 'Neo-liberalization processes and spatial planning in Northwest Europe: an exploration'. *Planning Practice & Research* (forthcoming)
- 6 See www.communities.gov.uk/news/corporate/1632149
- 7 The close relationship between Policy Exchange and the new Government closely resonates with pre-election Conservative criticism of New Labour for its reliance on large numbers of political advisors, often recruited from favoured think-tanks such as Demos and IPPR. Policy Exchange has been a stepping-stone for at least two MP and several government advisors – see www.policyexchange.org.uk/people/alumni
- 8 There appears to be surprisingly little evidence of overseas policy transfer in relation to the localism agenda. However, Policy Exchange is part of the Stockholm Network, a consortium of over 120 market-oriented think-tanks – see www.stockholm-network.org
- 9 See www.nppfpractitionersadvisorygroup.org/
- 10 P. Allmendinger and G. Haughton: 'Post-political spatial planning: a crisis of consensus?' *Transactions of the Institute of British Geographers*, 2012, Vol. 37 (1), 89-103
- 11 'No backing down on planning reforms, says George Osborne'. *The Guardian*, 5 Sept. 2011. www.guardian.co.uk/politics/2011/sep/05/no-backing-down-planning-george-osborne
- 12 J. Peck and A. Tickell: 'The social regulation of uneven development: 'regulatory deficit', England's South East and the collapse of Thatcherism'. *Environment & Planning A*, 1995, Vol. 27, 15-40
- 13 There are already many neighbourhood-scale plans in existence in the form of Parish Plans and Local Area Plans – over 5,000 according to a planning civil servant interviewed in summer 2011
- 14 This article draws on five interviews with those involved in national level debates on the future of planning during summer 2011: two senior civil servants, two lobby groups, and one person associated with local government
- 15 'Sustainable development', 'sustainable communities' and 'spatial planning', in the case of New Labour; 'localism' and 'presumption in favour of sustainable development' in the case of the Coalition
- 16 J. Martínez-Alier, U. Pascual, F.-D. Vivien and E. Zaccai: 'Sustainable de-growth: mapping the context, criticisms and future prospects of an emergent paradigm'. *Ecological Economics*, 2010, Vol. 69, 1741-7