

Tensions and trade-offs for ‘place management’ in the next twenty years.

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The Brief

1. The DCLG/PRN Commissioning Note of 22 September 2006 asked for ‘forward-looking papers that highlight how the key aspects of our environment are likely to change in the future and their implications for planning policy and the way we manage the accommodation of growth’. Specifically, three questions were to be addressed:
 - a. “What are the three key issues that planning policy will need to consider in the next 20 years?”
 - b. What spatial planning solutions to these issues should we be considering? Are there any tensions and trade-offs between the solutions for different issues?
 - c. What other types of policies will be key to delivering on these issues?”

2. In my contribution, I select three issues which I consider are important in developing the future role of the **national level** in developing planning policy. I have selected my issues bearing in mind what the other two commissioned papers may focus on¹. In this first section, I explain the context for my contribution and specify my issues. I then consider each in turn, concluding with some final comments.

3. As will become obvious, I do not identify new ‘topics’ or ‘happenings’ which planning policy will have to address. What will ‘turn up’ in 20 years is inherently unpredictable, or if foreseen, the timing and manner of its impact will not be easy to foresee. Instead, I emphasise the importance of the

¹ My comments derive from my recent thinking about spatial strategy-making and urban governance. See: Healey, P. (2006) Transforming governance: challenges of institutional adaptation and a new politics of space. *European Planning Studies*, **14**, 299-319. Healey, P. (2007) *Urban Complexity and Spatial Strategies: towards a relational planning for our times*, Routledge, London.

development of a governance capacity to routinely sustain good quality places, while responding to changing contexts and unexpected innovations. It is this which has been lacking over the past twenty years, despite much effort, especially recently. The policy challenge is to create the conditions in which such efforts are more likely to transform governance capacity, to make them more likely to succeed.

Place management in uncertain times

4. The focus of the planning system is on the challenging tasks of accommodating development needs and demands, sustaining and improving place qualities, mediating often intense conflicts over conflicting needs and values, and over conceptions of place qualities and opportunities, and contributing to shaping the overall social-spatial development of territory. As a result, the policies and practices of the planning system are deeply interlinked with other fields of economic, social and environmental policy, and with a 'politics of place'. I see no indication that these tasks and inter-relations will get any easier or simpler in the next 20 years, possibly the opposite.
5. My own perception is that how citizens, activists and businesses of the future will judge the coming two decades in terms of the quality of life and well-being they/we experience will depend a lot on how well these tasks are performed. Politicians seem gradually to be realising this. A critical challenge is therefore to evolve a respected role and practice for public policy in this area, respected as much in other sectors and levels of government as by businesses and citizens at large.
6. Such a role has to be evolved in a situation of great uncertainty and instability in global economic and political conditions, in environmental futures and in social aspirations. Seismic shifts are underway in the centre of gravity of the international economy, with the rise of strong Asian economies. Similarly, geo-politically, the privileged position of 'western democracies' is under increasing strain. Britain has been doing well economically in recent years, but it is not clear how far this position will be sustained over twenty years. Its geo-political position has clearly become weaker. These economic and political instabilities will co-evolve with the rising reality of, and concern about, climate change and environmental conditions. Such concern is already raising the 'temperature' of place politics, for example, where locating new renewable energy forms clashes with deeply-felt concerns for landscape qualities and wildlife habitats. This will only intensify the 'politics of place'. Meanwhile, social mores, ways of life and aspirations are likely to remain socially diverse and continually shifting.
7. These shifts may seem far from the policies and practices of a planning system. But the uncertainties and instabilities they generate, in an open society and economy such as the UK's, track through into fears and tensions between groups in neighbourhoods, into continually shifting demands for sites for new kinds and locations of activity, and obsolescence in older sites and locations, and into conflicts over the location and form of development. Substantial

flows of people seeking work, second homes and leisure opportunities on a transnational scale can shift rapidly and unpredictably, as we have seen recently, with significant impacts at a fine spatial ‘grain’². Meanwhile, geopolitical insecurity generates fears which reduce openness and tolerance of difference in the daily lived experience of place qualities, and encourage socio-spatial segregation at a fine-grain. Investment flows into land and property can also shift significantly, linked in complex ways to the relative performance of equities and bonds. Here too, property investment shifts and cycles have complex impacts at a fine spatial grain.

8. One consequence seems likely to be a continuing complex spatial dynamic of uneven development, with larger patterns of growth and decline (among places, businesses, social groups, civil society organisation, etc) super-imposed on shifting regional and sub-regional patterns. A planning system which seeks to promote some degree of social justice as well as accommodating development pressures will have to pay attention to those feeling the brunt of decline as well as meeting the needs of those squeezed by growth dynamics. A governance capacity for taking major, long-term and co-ordinated initiatives to shift the location of growth pressures, nationally, regionally and at the intra-urban scale, may be valuable in this context, but it should be understood that any such initiatives will involve ‘risky leaps’, with outcomes which are not easy to predict.
9. To this volatile mix should be added the increasing ability of younger generations to use new communications technology to share experiences, articulate agendas and mobilise rapidly about issues of concern. As a result, the ‘politics of place’ is unlikely to be confined to conflicts within and among ‘local’ ‘communities’. Outside forces will help to shape what issues cause concern and who mobilises to act on them. Nor will it be easy to ‘smooth away’ conflict to allow for particular priorities, whether economic, environmental or social, to be privileged.
10. Thus the what, where, when and why of the demands and needs for development, the condition of place qualities, the mediation of complex conflicts and the shaping of territorial development are likely to remain, as they are now, highly differentiated, socially and spatially, and difficult to predict. This implies that the capacity for place management needs to be closely linked to knowledge about the diversity of emerging conditions at the fine-grain of urban and regional dynamics.
11. In this context, businesses, citizens and politicians have contradictory expectations of a planning system. They want freedom to pursue their own projects and protection from everyone else’s projects. They seek, in an unstable context, some protection from wider instabilities, some ‘certainty’, to make often substantial investments over a long timescale worthwhile, with flexibility to allow responsiveness to new ideas and opportunities and often rapidly changing conditions. They want the ‘transaction costs’ of paying

² For example, we may be able to predict an ‘ageing society’, but it is much more difficult to predict impacts on lifestyles, mobilities and the demand for services and facilities.

attention to the ‘public realm’/‘public interest’ to be minimised, but yet want place qualities to be safeguarded.

12. The struggles over the ‘reform’ of the planning system in the past 60 years have continually had to negotiate these contradictory expectations. I see no reason to believe that these struggles will not continue over the next twenty years. Given the contradictory expectations and the context of uncertainty and instability, a key policy issue is how to bring back greater ‘respect’ for the planning system, as a key arena for establishing and pursuing the ‘public interest’ in place management.
13. One dimension of this is likely to be the current movement for a ‘culture change’ in the practice of planning at the local level. But there are also other changes which could also make a difference, and significantly, ones which emphasise the role of the national level. Perhaps the most important contextual change to affect the practices of the system will be the extent and nature of ‘devolution’ presaged by the October White Paper and the Lyons Inquiry. I will consider my three ‘issues’ on the assumption that significant devolution will get underway in the next few years, with some degree of cross-party support. This may initially affect where investment resources for place management are institutionally located more than where land use and environmental regulations are defined. Over time, however, pressure is likely to build up for more devolution of regulatory powers, such as that over the control of development. This should make it easier to co-align investment in public services and infrastructures with policies pursued through regulatory powers over land use change, which has been a key weakness of the planning system over the past twenty years.

Three Key issues

14. The three issues I will now consider in the above context are:
 - a. Paying attention to place qualities
 - b. Responding to changing land and property development dynamics
 - c. Building governance capacities for place management
15. In focusing on *place qualities*, I move away from the established ‘topic’ agenda of the PPS series, to emphasise the linkages between activities, as in the tension between focusing on delivering amounts of housing, using brownfield land and the availability of sites and premises for economic activity, or the relation between policies for landscape and wildlife protection and energy policy.
16. In focusing on *land and property development*, I emphasise a key ‘industry’ and activity through which demands for space (land and sites) get translated into actual changes to the built scene, building shapes, forms and qualities, accommodation specifications, tenure arrangements and property rights.

17. In focusing on *governance capacities*, I highlight the significance of the practices through which public policy is shaped and delivered. In the perspective of twenty years, a key capacity will be the ability to continually to address tensions and arrive at trade-offs.
18. Table 1 sets these up in a matrix related to the three DCLG/PRN research questions (issues, ‘solutions’, other policy types). There are, of course, significant linkages between the issues. I have interpreted ‘spatial solutions’ as key actions which will need to be in place to deal with the issues discussed³. By ‘other policy types’, I refer to linkages between policy fields and capacities which will be needed at the national level. I do not consider specific policy instruments.

Table 1:

	Place qualities	Land and property development	Governance capacities
Key issues	Promoting neighbourhood quality	Responding to shifts in development products, market opportunities and industry configurations	Building a capacity for routine micro-level place management
Spatial ‘solutions’	Review of practices and outcomes Spatial co-ordination Funding to support growth locations Funding for remedial investment	Market shaping Link investment and regulatory interventions Fund neglected needs Encourage improved industry ‘performance’, including product innovation	Encourage cross-sectoral, spatially-focused strategy-making Encourage co-alignment of investment and regulation policies Expand R&I function
Other policy types	National spatial policy for key infrastructures and national development projects National specification of basic standards Promotion of R&I function Provide remedies for major market failure	Promote policy inter-connectivity at all levels Promote R&I function Provide funding streams to facilitate/unblock market energy, and to address market neglect	Devolve more regulatory capacity Protect against over-legalisation Promote R&I function and knowledge exchange Promote capacity-building in research and staff exchange

³ I do not discuss specific ideas about spatial development patterns, partly because these are being addressed in other papers recently commissioned by DCLG/PRN and partly because I do not think that it helps to discuss a particular spatial development idea in the abstract, outside of a particular geographical and institutional context.

Paying attention to place qualities

19. In emphasising this issue, I seek to highlight the vital importance of the quality of daily life living environments for us all. This has always been a core contribution of the planning system, as of other policy areas like environmental health, housing and welfare provision, the provision of basic services etc. In a context of dynamic and unpredictable changes, with their resultant shifting micro-geographies, it will be more than ever important to maintain policy attention to the place qualities of the neighbourhoods of living, working, leisure, business activity, etc., to ensure that:
- a. new development areas provide qualities which will endure into the future,
 - b. the ‘public realm’ assets of stable areas are maintained,
 - c. vulnerable areas do not ‘tip’ unnoticed into a spiral of decline, to burst upon the scene in need of major attention some time later⁴, and
 - d. areas which have experienced severe problems get sustained attention over the long-term⁵

Attending to micro-place quality is thus a kind of ‘preventative medicine’. By place qualities, I mean a bundle of attributes relating to social ambience, landscape quality, market position, environmental sustainability and accessibilities which provide real choices for people in diverse circumstances and with diverse aspirations.

20. Maintaining such attention is a major part of the remit of local governments. The ‘devolution agenda’ should be developed to encourage this, both as part of local strategies and key projects, and as routine activity. But the following national level interventions might help to promote such attention:
- a. Some kind of *periodic review* or audit procedure of neighbourhood qualities, combining small area statistics with local views about neighbourhood conditions⁶. It would be especially valuable if this could focus on perceptions of changes through time. This could also be useful in quickly identifying emergent issues in need of strategic policy attention or regulatory amendment at the national scale⁷.

⁴ See current concerns about conditions in some areas of interwar suburbs.

⁵ This is a key recommendation from a recent report on housing regeneration initiatives: Tunstall, R and Coulter, A (2006) *Twenty-five years on twenty housing estates: Turning the Tide?* Policy Press, Bristol, for JRF.

⁶ This could supplement at a fine-grain the existing national social attitudes survey, and make use of the increasing availability of small-area statistics. There are some examples from the 1980s which would be worth looking at, and further ideas linked to developing a ‘plan-monitor-manage’ approach.

⁷ For example, new non-renewable energy installations on individual properties.

- b. Continual encouragement for *spatial co-ordination* at national and regional level, particularly with respect to infrastructure investment programmes, the location of major welfare facilities (especially hospitals and further/higher education), social, economic and physical regeneration programmes, and economic development initiatives⁸. This has been a key weakness of public policy performance in relation to urban and regional development over the past twenty years.
 - c. Mechanisms to provide, in areas where *growth pressures* are building up, strategic upfront investment in land assembly, infrastructure provision, facilities provision and public realm quality in advance of development. Such investment may both help to *release* substantial growth pressures and to *shape* their future location.
 - d. Mechanisms to provide *remedial investment* in areas of built environment obsolescence, linked carefully to more broadly-based strategies for social, economic and environmental development in ‘communities’ and regions.
21. The above ideas are not, of course, new. The challenge is to turn them into well-founded practices. Much of this challenge will have to be met at the local and regional level and will be a key focus for a more devolved English government structure. But national policy interventions will also be needed. What will be critical for the success of such interventions is the way they balance an appreciation of diversity and variety in circumstances across the country, with key strategic considerations for the country as a whole. This suggests an important shift from an attitude of ‘rewarding’ the good (which tends to standardise around a particular ‘best practice’ template and reduce learning and innovation), to stepping in only when weak performance/capacity is seriously exacerbating place-based inequalities (due to a weak resource base in an area and/or extreme incompetence which has not been remedied by local political mobilisation).
22. The following national level interventions look likely to be needed:
- co-ordinated spatially-specified *national development strategies* for major infrastructure programmes and for initiatives relating to the climate change challenge. Such co-ordination is as likely to emerge by slow, constant effort, after much discussion, as from a one-off initiative to produce a national spatial strategy.
 - Specification of *basic national standards*, for buildings, impact assessments, etc, with ongoing monitoring to identify (a) perverse effects and regulatory over-burdening quickly and (b) the extent to which standards are being met. The practice of such monitoring

⁸ Hopefully, this would create a policy climate which would also help initiatives at regional and local levels to link the spatial dimensions of health and education programmes with other aspects of place development policy.

should be to learn from experiences and experiments, and to develop a rich, diffusible intelligence, rather than the current emphasis on ‘conformance’. The ‘art’ of such monitoring it to have sufficient intelligence capacity in place to ‘get there’ before problematic issues become matters of public irritation.

- Developing a *research and intelligence function* (qualitative and quantitative) about how places are performing, with particular attention to identifying areas where ‘market failure’ and/or ‘policy failure’ are leading to difficulties in meeting national values about social justice, community welfare, environmental sustainability and economic vitality. Such an R&I function needs to allow for public discussion about issues, evidence, research methods, etc, to help generate an informed base for interventions by any level of government. It needs to be capable of positioning the campaigns of lobbyists in a context of well-informed argument and debate.
- Provide *remedies for market failure*, especially funding to supplement regional and local budgets where failures are severe⁹. Such remedies need to be driven by local specificities, capable of being managed locally, with ‘light touch’ national level accountability.

Responding to changing land and property development dynamics

23. The experience of the past twenty years shows not only repeated swings in property values, but an increasingly strong link between property as an investment and other investment opportunities. The property development scene has also witnessed a continual introduction of new products (ie types of development and building), new market opportunities to be exploited and new configurations among those who produce development. The next twenty years seem unlikely to be any different, although economic prognoses might suggest some stability over the next few years as the over-valuing of housing levels off. A key issue with major consequences for planning policy which may emerge in the future could be a greater penetration of international competition into the UK building industry and, at a completely different scale, more local initiatives to encourage building of innovative products by new entrants to building activity¹⁰. However, overall, planning policy needs to be designed in the expectation of unstable market conditions, with the potential for unexpected innovations to appear and diffuse rapidly, and with substantial and continually-changing spatial variation in local market conditions in conjunction with broader national dynamics.

24. In this context, the challenge for planning policy will be to:

⁹ as, for example, with respect to social housing provision, or the provision of premises/sites for some types of firm squeezed by ever-raising land and property market values for alternative uses, for example housing.

¹⁰ For example, new entrants into the market for producing environmentally-sustainable building

- a. recognise and shape emergent pressures and dynamics in a firm and clear way, open to innovation and relevant to local conditions; and to deliver co-ordinated investment and regulatory interventions, (ie *market shaping*);
- b. provide *funding streams to deal with 'market failure'*, which will be ever-present as new products and new kinds of 'place' displace older ones;
- c. encourage *improved 'industry' performance* and product innovation, and encouragement to new entrants of different kinds¹¹.

This will demand fine-grained understanding of the complex interrelations between national, regional and local property market dynamics. It will also demand a capacity to intervene selectively and strategically, using appropriate tools, without building-in rigidities and inflexibilities which inhibit responsiveness and innovation. This will require a substantial research and intelligence capacity, able to resist continual pressures from particular interests, activists and lobby groups of all kinds, while attending to the information and understandings available from all kinds of stakeholders.

25. Building the capacity for a sensitive, strategic, spatially-informed market-shaping role should primarily be a regional and local activity. But developing this capacity would be greatly assisted by:

- a. stronger linkages between the areas of national policy which affect land and property development processes, especially national economic policy (with respect to investment considerations), transport policy, health and education policy, housing investment, urban regeneration, infrastructure investment and economic development;
- b. a well-developed research and intelligence function which operates with, but independently of, the current major land and property development 'interests', focused on a wider perspective on development
- c. appropriate funding streams for areas affected by "strong growth" and "weak" markets, where necessary upfront investment in sites, infrastructure provision, land reclamation and recycling are needed.

Overall, this implies a more strategic approach at national level to the public sector role in shaping land and property development activity, with encouragement to regional and local governments to take a more informed and strategic role themselves.

¹¹ The initiatives taken in this area in recent years are to be welcomed, but more attention to how different 'products' might work in different localities and local markets would be helpful.

Building governance capacities for place management

26. Delivering a planning system and place management capacity capable of fostering, enhancing and sustaining ‘good quality places’ is a demanding agenda. It has suffered in the past 20 years from too strong an emphasis on sectoral policies and too little attention to how these interrelate in places and affect the qualities of people’s lives¹². Co-ordination remains difficult. The planning system is struggling to escape from being boxed into a narrow practice of over-legalised land use regulation, while suffering severe shortages of funding for public realm investment, of staff and of research and intelligence capacity.
27. Despite this, there are many examples of “good practice” which have emerged where teams of committed officials, politicians, local activists and other stakeholders have worked hard to overcome these difficulties. What will be needed over the next twenty years is much more national level attention to creating and sustaining a climate within which such local energies can flourish. The ‘devolution agenda’ should help here, leaving the national level to focus on national level co-ordination, building research and intelligence capacity and addressing issues of severe ‘market’ and ‘governance’ failure.
28. The challenge for building governance capacity for shaping and sustaining positive place qualities is to foster attention to the spatiality of all public policies and to encourage place-focused co-ordination, while at the same time avoiding over-specification which inhibits the development of local capacity. The critical capacities needed are:
- a. An ability to provide an *accepted framework (strategy)* within which different policy sectors can learn to operate when their own programmes result in substantial changes in demands and pressures on places (eg: health service, education, energy, transport)
 - b. An ability to *link investment and regulatory interventions* as these affect places and place qualities
 - c. A *research and intelligence function* capable of drawing on ‘streetlevel’ knowledge, analytical knowledge and the practice knowledge of the different actors involved in place development and place-shaping activity
29. These points re-inforce those made in relation to the previous two issues. A major task at the national level will be to make the devolution agenda work appropriately across all national government departments. Within this context, the contribution of the national level planning function to meeting the challenge for developing the capacity for the promotion of place quality over the next twenty years should be to:

¹² The ‘housing numbers’ approach is a good example of a narrow approach to place management strategies.

- a. Find ways to devolve more regulatory capacity (ie more regulatory autonomy for regional and local levels)
- b. Find ways to limit the over-legalisation of disputes over development projects and strategies
- c. Promote the research and intelligence and knowledge exchange function
- d. Promote national research and staff training capacity¹³.

Concluding comments

30. My three issues clearly overlap substantially. They also highlight many initiatives which have been tried before and/or are already underway. This is not surprising. The planning function has been struggling to find governance space for place-management for the past sixty years, against the grain of sectoralism and centralism, and in the continued presence of a powerful private sector-dominated land and property investment industry. Weak powers and considerable instability have been endemic too. Combined with over-centralism to the national level, this has produced weak local capacity for place management, and a great deal of concern among citizens, business and many pressure groups and lobbyists about place qualities.
31. What is now needed is an energetic and sustained effort to foster strong local capacity, able to address the innovative, emergent and unexpected, as well as to sustain the kinds of place qualities which make the routines of diverse daily lives both stimulating and enriching, while also less stressful and difficult to accomplish. Already, there is a lot of experimentation and innovation going on, but such efforts suffer from a lack of co-ordination, stability and direction in the still-dominant national role.
32. To re-iterate, the main areas which will need sustained attention at national level to assist in building strong local capacity and re-generate respect for the planning system are likely to be:
- a. *Strategic attention* to major infrastructure investments to address growth demands and environmental challenges, and to other major initiatives aimed at shifting and shaping the location of major growth pressures
 - b. Continuous attention to encouraging *spatial co-ordination* at all levels
 - c. *Funding for areas experiencing severe pressures* due both to growth demands and substantial obsolescence in built fabric, in situations where local and regional resources and market potentials are not in themselves sufficient

¹³ Here also, recent government initiatives are to be welcomed. But rather than perceive this as a short-term 'corrective', my argument suggests they will be systemically necessary.

- d. Encouragement for a *significant and robust research and intelligence* function centred on place qualities and place development dynamics.
33. There are substantial debates, ideas and experiences to draw on with respect to each of these areas. It may be timely to instigate some inquiry into how best to develop the national role in the planning system in a more devolved context.