

Levelling Up: the role of planning

By an independent group of planning practitioners and academics.

The authors are grateful to the Town and Country Planning Association for hosting this pamphlet on the TCPA web site but stress that it does not represent TCPA policy.

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Why Levelling Up will fall flat on its face

Recent statements by the Government and Tory think tanks seek to justify their repeated attacks on the planning system as a contribution to the Levelling Up agenda of the Johnson government¹. The authors of the present pamphlet make a diametrically opposite argument — that the planning reforms will do nothing to level up or reduce glaring geographical inequalities in our country: in fact, they will make these disparities even worse.

The Conservative idea is that by allowing more permitted development rights and reducing requirements to submit planning applications under a new Development Plans regime, “red tape” will be removed, and so make development (particularly new housing schemes) cheaper and faster. The report by Morton et al. is explicit that the aim must be to show potential development gains from these reforms before the next general election².

A storm of protest met the proposed reforms in the Planning White Paper in August 2020 – followed by the crushing defeat of the Government at the Chesham and Amersham by-election in June 2021 widely linked to the planning reforms. Since then the Government signaled it may back off some of its more extreme planning proposals, but the intention to reduce regulation over planning for development in many areas will surely remain in place and find its way into new planning legislation or policy.

We argue in this pamphlet that, not only will the likely reforms completely undermine the possibility of equalising our highly unequal country, but they will make impossible an effective climate change response. A strong democratic planning system is essential for levelling up and for tackling climate change.

Given that the Levelling Up agenda is now enthroned in the core rhetoric, if not the practice, of almost all government departments, it is both tactically and strategically important that the relationship between planning and Levelling Up is understood.

In part good planning is important for the Levelling Up agenda (if taken seriously), because good planning is needed everywhere in England, at all levels. But we are saying that planning matters in ways additional to this, in places most in need of improvement. There are two reasons for this “planning bonus” effect for levelling up success.

One reason is planning's capacity to integrate across key agenda fields: well-being via incomes and good housing, addressing environmental issues, linking diagonally so that improvement works up and down from neighbourhoods through to regions. Integration matters everywhere. Planning should be a key policy tool to lead integration.

The second reason is the capacity for planning to operate democratically, returning control to councils working with communities. Planning has decades of practice in managing conversations about futures. Declining areas cannot be levelled up by government fiat. Comprehensive and patient improvement is needed based upon local consensuses. New sorts of plans can lead this particularly in areas with big social and economic problems. This would represent beefed up public planning and reinstating control over permitted development, not more planning stripping.

We are far from being the only ones making this argument. The July 2021 report by APSE and TCPA³ on how local government must lead improvement of life across the country stresses the dramatic loss of control by local authorities caused by the extension of Permitted Development Rights. Our special focus is on the impact that planning reforms are having and will have on these central issues of recovery from the pandemic and on spatial and non-spatial equity.

The term 'Levelling Up' is attached as a justification for many recent Government policy announcements with a Levelling Up White Paper due in the autumn. You might think that town planning would be central to any serious strategy for Levelling Up but such is its ideological hostility to planning, the Government would rather limit local council planning powers further than put democratic planning to use as a positive tool for reducing inequality.

We argue that throwing pots of money at localities, or at big infrastructure projects, as appears to be the Government approach to levelling up, is an extremely wasteful use of public money, if not combined with strategic thinking, whether in plans or in some shared public conversations about regional disparities. Spatial and locational fairness and efficiency must go hand in hand. *Levelling Up has to be planned, if it is not to fall flat on its face.*

When Governments in the past have set out to address regional inequalities and the 'North/South Divide', they have taken a serious approach using indices of deprivation across the country to target investment. No such seriousness or evidence-based policy is yet forthcoming from the 'Levelling Up' agenda pursued by this Government. Levelling Up is a slogan not a policy —with careful planning nowhere to be seen.

The sections of this pamphlet

The purpose of this pamphlet is to highlight the impact of the planning reforms on four areas of Government that should be crucial to Levelling Up (housing, economy, local government and climate change policy). We point out in each case what a programme for Levelling Up would look like if tackling it were taken seriously.

We begin by recalling **the founding purpose of the UK planning system** which was precisely to bring spatial coherence and democratic control into the distribution of land uses and development across the country. This purpose has been undermined steadily over the last 30 years, so that investors, landowners and developers have far more influence than the general public that has to live with the consequences. We argue that not only is this trend unhelpful for businesses that want some certainty about the spatial pattern of development, but there is wide public concern about the threatened loss of the residual democratic safeguards that remain in the planning system (the right of the public to comment on planning applications).

We then turn to **housing** and the fundamental role the housing system plays in generating social and economic inequality, contributing powerfully to disparities of income, wealth and health between regions and within towns, cities and rural areas. The planning reforms, though pretending to tackle the housing crisis, will not do so because the Government priority is on making land available for market housing rather than tackling the massive shortage of social housing (estimated to be 90,000 new units per year where current output is 6,000 per year). The reforms will therefore not reduce housing costs for those on low incomes, nor address the

condition of the existing housing stock, nor ensure new development is truly sustainable. The planning reforms will reinforce existing social and geographical disparities in housing.

The **economic impact** of the Levelling Up agenda and the planning reforms also run in opposite directions. The planning reforms do not aim to tackle economic inequalities across the country but are largely about opening up still further the housebuilding market and giving a green light to ‘infrastructure’ projects like new roads. This will mean for example reducing planning controls on new development in ‘the North’. It is likely to rely on ‘trickle down’ to distribute benefits from commercial projects, a strategy that singularly failed to help poorer communities in the regeneration projects of the 1980s. Another part of the Government pitch is to promote ‘Freeports’ as a catalyst for economic regeneration without any clear plan about how this will be achieved. At the same time, it has adopted the practice of claiming that any investment that happens to be located ‘in the North’ contributes to Levelling Up. It is a far cry from a strategic plan to reverse decades-long de-industrialisation, de-skilling and increased poverty.

A fourth section of the report looks at **local government**. We argue there can be no Levelling Up without strong well-resourced local government (including properly funded local authority planning departments). There is no indication that Government comprehends the contradiction that Levelling Up can be achieved without acknowledging the decades-long cuts to public services that have increased inequality. It somehow thinks that it can continue to bear down on funding for local government for years ahead and yet claim it is aiming to ‘level up’. If local government services underpinning local communities are not restored (in everything from social care through to housing, education, transport and libraries) any investment in Levelling Up elsewhere will mean very little where it matters.

Local councils do not accept that throwing money at pet capital projects of new MPs in ‘Red Wall’ seats via the so called Levelling Up Fund is either democratic or has meaningful social and economic impact. They challenge the Government to explain exactly what they mean by Levelling Up, how it will be measured, who will benefit, and whether funding will be made available to rebuild local government services —without which no Levelling Up is possible.

Finally, we look at the **climate crisis** and the massive contradiction that without a highly effective and well resourced planning system climate change cannot be contained or its impacts equalised. You cannot go low carbon without a spatial planning system which strictly regulates land use, which plans where infrastructure is located and engages with local communities. For example, you cannot change transport behaviour or achieve low carbon homes without a strengthened (and publicly supported) local planning system. The planned reform offers none of this, indeed it barely mentions the climate crisis, and provides no new planning tools to deal with climate change.

If Government is to take Levelling Up seriously —that is, to move beyond pork barrel politics and slogans— there are blueprints and precedents out there, so far ignored by Government. For decades the UK has benefitted from research and policy analysis about spatial and non-spatial inequalities which are widely understood as no longer just features of industrial structural change. The 2070 Commission⁴ reviews much of this analysis and calls for a comprehensive New Deal intervention by Government, and the Marmot report on Greater Manchester demands

a major public health programme to reduce shocking health inequalities⁵. Nothing like this is part of the Levelling Up agenda. Government could show it is serious by adopting these blueprints. It could make a useful start by scrapping the planning 'reforms' and starting again.

This pamphlet is produced by a group of planning researchers, practitioners and academics.⁶

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Why we need planning to support delivery of Levelling Up

Levelling Up was a principal manifesto commitment of the Prime Minister in the 2019 election campaign as part of his post-Brexit vision. However, when *Planning for the Future* was published as a Government White Paper for England in August 2020, the explanation of its purpose was unrelated to Levelling Up and focused instead on its role in removing the basis of planning legislation as set in the 1947 Town and Country Planning Act, the foundation for all subsequent planning legislation and practice. In the Prime Minister's words in the foreword to the White Paper, the only thing to do to the planning system was 'to tear it down and start again'⁷. What effects would such a rollback of 75 years of legislation have on places, people, land and development which all contribute to achieving Levelling Up? The Government's approach to regulatory principles for land, the ideology behind removing the current system and the likely outcomes for the future is siloed. How can places be 'levelled up' if the market is being let rip? And does the market really welcome the freedoms proposed?

At the heart of the 2020 White Paper, the proposed removal of the 1947 Planning Act fails to recognise that it was a significant component of the construction of the post-1945 welfare state. Alongside the creation of the NHS, new towns, national parks and nationalisation of utilities, planning was part of establishing a state that was more effective, efficient, equitable and fair. The adoption of the 1947 Planning Act had long antecedents. In the 1930s, there had been some controls on the use of land for development by private owners but it remained largely unchecked as the effects of sprawl, ribbon development and the 'octopus'⁸ featured in the popular press and fiction. Local authorities had some powers to build housing, engage in the delivery of public utility services and health but not enough to protect the countryside and to create places that served their communities. The need for the introduction of a universal planning system to support these benefits and their distribution was set out by Patrick Abercrombie in 1933⁹. He set out the differences between adopting a planning system and the then prevailing system of *laissez-faire*. Planning is about supporting improvements in public health, providing healthy and adequate housing for all and efficient places to work. This meant more focus on some people and places rather than others. Have society's needs changed so much that we no longer need to guarantee these basic principles in society?

During the 1939-1945 war, the debate on the creation of healthy places, with schools, health centres, parks and cultural facilities gathered pace. The Scott and Uthwatt reports were commissioned by the government to review land betterment and compensation –unusually appearing in summary form in popular Penguin editions¹⁰, such was the interest in these issues at home and among serving troops. Other Penguin paperbacks were published on the role of town planning by Thomas Sharp in 1940¹¹. In 1944 Flora Stephenson and Phoebe Pool set out a plan for town and country in a series edited by, among others, Sir William Beveridge, Julian Huxley and Charles Madge while Abercrombie and Forshaw's Plan for London was published in 1944. As Julian Huxley put it,

'Why is this subject so important?

On the face of it, the planned use of land – or ‘physical planning’ as it is sometimes called might seem to be a subject for experts, remote from everyday life. Nothing could be further from the case. This is a kind of planning that affects us all vitally. It decides whether or not we all live in surroundings which will give us health and efficiency, and which are, at the same time, beautiful and pleasant....

Yet without our help and our active support the planners can effect nothing¹²

What did all these authors see as the benefits of a planning system to the nation and what was needed to deliver it? The 1947 Act removed the development rights of landowners and placed them all within a regulatory system. It identified land as a national not a private asset. Landowners could make profits, initially subject to a betterment levy; society’s needs for the use of this scarce resource had to come first. The government and public bodies could acquire land at existing use values to develop new towns or comprehensive redevelopment for town centres, roads or neighbourhoods through negotiation or ultimately compulsory purchase. The economic, social and environmental needs of the country came first and before private interests. That is not what is proposed in the 2020 White Paper.

Why reverse the 1947 Act reforms?

But for those ideologically supportive of a free market, the welfare state, including the 1947 Planning Act, has always been regarded as unnecessarily restrictive on their personal freedoms and the market. The regulatory frameworks established to protect and improve society in the welfare state, supported by those adopted in the European Union to create public value¹³ rather than private gain have always been an anathema to some. Introduction of competition and outsourcing into the public sector through the reform of the World Trade Organisation and its predecessor from 1962 onwards¹⁴ has always been part of a longer term plan for the reversal of the welfare state. While this now so-called neo-liberal policy has been implemented across all public services in the UK, including health and education, what is left to restore to the market to the pre-welfare-state position? Planning has been under attack from free marketeers since 1961, when the Land Compensation Act removed the rights of public bodies to acquire land at existing use value, thus rendering public development more difficult and expensive and diverging from practices in other OECD countries¹⁵. Planning delivery for public benefits has been successfully undermined through loosening of regulation, weakening policies and government initiatives to promote the delivery of private house building. Increasingly the connection between town planning as a means of securing the public benefits of places and their contributions to the economy and society has been decreased. Removing the 1947 Planning Act is seen as the last act of reversal of the welfare state and a return to a von Hayek view of the market from the 1930s. The welfare state would probably never have been implemented if the 1939-1945 war had not occurred.

Will reversing the 1947 Act reforms be successful for landowners?

Yet will returning development rights to landowners be successful even for them and generate more profitable development for them? Since the 1930s, financial and investment systems have

changed. More guarantees are required by investors who are legally required to undertake due diligence before investing shareholder and institutional funds. If there is no planning system to regulate the use of neighbouring sites and the quality of the environment in which a development is located, then what will result? There may be an initial dash for development but the more likely result is an investment pause or freeze. If values cannot be guaranteed in the longer term, is there any legal basis for investment? Without planning control, how will services be provided? Will these developments result in shanty towns or half-completed ghost developments seen elsewhere in the world?

And how will communities react to this lack of control and restriction on their involvement? If government at local or national level cannot guarantee their contribution to planning decisions, will they sit idly by? As already demonstrated in local elections, planning issues can result in a loss of political power at local level and as Conservative MPs have been warning in Parliament, the electorate is unlikely to support unregulated development anywhere in the country.

How will this deregulation affect the economy? If land is not designated and protected for use for employment, will it be lost to housing? If so, where will people work in the future and will they be able to access these locations? While the pandemic has offered more people the opportunities for working and shopping from home, communities need facilities to exercise their minds and bodies, access friends and relations and go on holiday. A failure to plan for these facilities and, in some cases, fund them from developer surplus, will mean that they will not exist or have to be funded through taxation.

If developers are potentially able to make unrestricted profits on their land holdings, will they be taxed more or will this be greater income for them? In the 1930s, many large houses and their estates were sold and developed as a means of funding death duties. The state thus had some means of clawing back wealth albeit after death. Now Inheritance tax is shown to be largely avoidable so increased wealth may just be passed to the next generation without any return to the state.

What will society lose if the 1947 Act reforms are reversed?

If the foundations of the planning system are removed, land ownership rights are reversed and the use of land is deregulated, what will be the results for society? The first major concern will be the effect on the economy. Where will pension funds, insurers, sovereign wealth funds and other institutions place their investment? If property values cannot be guaranteed through a democratic planning system, then these risk-averse funds will need to find other outlets. This is not likely to be within England but more likely to be abroad where land management systems are governed and regulated in more predictable ways.

Where will new employment sites be found? Will landowners want to make their sites available when other land uses are more profitable? How will these sites be serviced by transport and other utilities if not planned at the outset? How can there be efficiencies in co-location investment for businesses and their work forces? Planning provides the basis for spatial investment across England

Without the planning system how can land be reserved for open spaces, allotments, social infrastructure and culture? How can these facilities be located so that people can access them easily? How can cultural providers, restaurants and commercial leisure operators expect support for the nighttime economy if their locations are dispersed and not supported by other public services such as transport and the NHS? Without a planning system how can we guarantee reaching the country's net zero targets? How will development be prevented on land liable to flood or that is contaminated? Will there be enough available drinking water to meet the needs of dispersed housing developments? What will be the cost to society of taking children long distances to school or nurseries if these are not planned as part of communities?

The government indicated in the Planning White Paper that all land would be designated into either a development or protected use status but it did not provide any principles for these designations. How would they be enforced? What system would there be to change these allocations if landowners lobby government? When the 1947 Planning Act was implemented it had a zoning system, set out in the Initial Development Plan that was devised on a range of principles to meet economic, social and environmental needs but it was scrapped and replaced in 1968 as it was seen as inhibiting development and investment. More evidence here of the growing influence of the market in relation to private housing provision after earlier housing mortgage reforms by Harold Macmillan.

What could a new Planning Act do for society now?

In order to achieve the country's environmental targets, identify and save land for a range of housing tenures, ensure that communities have access to workplaces and open space, the planning system needs to be strengthened and not weakened. In 1985, the then Secretary of State for the Environment, Nicholas Ridley, a champion of free market thinking in the Conservative Party, recommended Margaret Thatcher to abolish the planning system. Initially an attractive idea to Thatcher, she quickly withdrew any support when shown by the markets, landowners, developers and investors what the consequences for the country would be. Ridley achieved some of his objectives by removing 'town centre first' policies and allowing out of town development for retail and employment uses. It is the resulting car-dependent development that is now one of the most urgent issues to be addressed in order to achieve net zero. Global warming and the environmental crisis means that the balancing of individual interests against collective needs is even more of an imperative than at any time since 1947.

As this pamphlet demonstrates, the gradual unpicking and weakening of the planning system in favour of the market has had major societal consequences which are recognised by communities, businesses and investors. Dismantling the 1947 Planning Act may be a liberal dream, long awaiting fulfilment by some but it will be a nightmare for society, its communities, its wellbeing and its wealth if it is implemented. Planning adds value and it is time to remember and strengthen its fundamental role in Levelling Up as attempts are made to dismantle the contribution that it makes to our lives.

Planning for Housing

Britain's housing system today is an enemy of 'Levelling Up'. For most people, access to housing is via markets (to buy or to rent) so people get what they can afford. In a period of massive and growing inequality this means growing affordability problems for much of the population, homelessness, overcrowding and slum conditions for many. That's inevitable. The housing system transmits and amplifies inequality from generation to generation and within generations, reinforcing class and geographical divides. This in turn conditions life chances for social classes: young people from non-owner families can't afford university without debt, are less able to start up businesses or to have the widest choice of jobs.

These features of our housing system apply everywhere in the UK but in some ways they also contribute to the geographical inequalities which seem to be the target of the government's 'Levelling Up' slogan: rich regions and towns compared with poor regions and towns. This is because the massive variation in house prices makes it almost impossible for owner-occupiers to move from low-price regions to high-price regions. Big rent differentials make it hard for renters to move to high-rent regions unless they have secure and well paid jobs to go to. These barriers to mobility are a frustration to those affected and bad for the health of the economy since not everyone's skills and capacities can be fully realised.

Our housing stock accounts for 19% of CO2 emissions and the car-dependent travel most of us are almost forced into by our settlement patterns contributes a further 34%¹⁶. Covid-19 has brought home forcibly how severe are our health inequalities and how housing and environmental inequality has impacted working class, and especially many ethnic minority, people, cooped up without space for work, privacy or self-isolation and often without access to green space for exercise or safe encounters.

Orthodox explanations

Recent years have seen mounting controversies about how Britain's housing and related planning problems should be understood, with rival simplifications jostling for the attention of press, policymakers and citizens. In 2021 we are facing the challenge of possible new planning 'reforms' based upon one of these simplifications: the idea that planning is the reason for falling housing affordability so relaxations of planning will provide the solution.

We are asked to believe that the problems of housing affordability are wholly or mainly due to inadequate supply of homes relative to demand, broadly as would be the case for typical manufactured commodities. This shortage of supply is, in turn, wholly or mainly due to the fact that the British planning system and practices ensure that output of new homes in the market is lower than it could and should be. These planning practices are said to be expressions of NIMBY, anti-development, attitudes among incumbent property owners which restrict the flow of new development projects, resist suburban intensification schemes and changes of use of land.¹⁷

Policy prescriptions flowing from this narrative are for de-regulation and re-regulation: merging and diluting use classes to enable owners to switch between uses, new development rights to

add storeys to buildings, reduced public participation opportunities, fewer social housing obligations on developers and so on. Most salient, perhaps, is the proposal in the 2020 White Paper to return to private owners of most land the entitlement to develop –the entitlement which was removed in 1947 and underpinned the possibility for the law to enable public acquisition at existing use value. If these measures are enacted it would become extremely hard in future to achieve large-scale public acquisition of land on the model which gave us the post-war new towns and enables so many local communities in the Netherlands, Germany and elsewhere to share the benefits of land value growth, good planning, first class social infrastructure and housing which actually meets the needs and means of the citizens.¹⁸

Critiques

The orthodoxy of this supply-side narrative is the subject of a growing and powerful range of challenges from a wide range of economic schools of thought and political positions. Within the mainstream, one dominant thread is the argument that house prices are determined substantially by interest rates—in much the same way as other asset prices like bonds—and not by supply deficiency¹⁹. That critique has something in common with the many analysts who emphasise financialisation—the sustained expansion of credit, and specifically financialised mortgages for house purchase (and re-mortgaging), as a driver and facilitator of price escalation²⁰. A number of scholars have mounted critiques from very broad perspectives and have pointed out that it would take many many years for enlarged housing supply to bring prices down detectably, and that would be swamped by the rates of price inflation we have recently seen²¹. One important contribution has been Cheshire’s focus on how much more housing people acquire as they get richer (more space, more quality, more surrounding amenities)²². Thus growing inequality of income and wealth will mean that high-income people will take more and more of what’s available, pushing up prices for the best homes in the best places – a phenomenon which seems to have been reinforced by Covid-19.

A number of major contributions to the debate emphasise the distinctive features and key role of land and of land-ownership relationships as central to the way house prices and rents are actually formed. This is the core of the powerful work of Ryan-Collins et al and Ben Fine and important for Christophers and Beitel²³. Key points from these radical critiques are: (i) the idea of “a” national market in housing where supply interacts with demand is a purely mental construct and does not fit reality; (ii) reality is that there are multiple interlocking markets for homes of different types in diverse regions and localities with scarcities and market prices determined in different ways; (iii) prices and rents in all these sub-markets are determined by power relations and social institutions: some rather universal and globalised like financialisation, others essentially national like England’s leasehold system and similar rather mediaeval privileges of the landed interest, others specific and local to do with labour markets, landscape, infrastructure and local politics; (iv) land owners and developers always have potential to appropriate a share of the social product as rent, profit or capital gain but the extent to which they can actually do so depends upon the configuration of these multi-scale power relations and the regulatory environment; (v) a distinctive feature of the way a small coterie or oligopoly of major housebuilding developers gets localities sewn up is the creation of option contracts which

enable other developers to be excluded from land. These options are not (yet) visible in the Land Registry so the whole process is obscured.²⁴

Proposed reforms

There are various contradictory features of the government's proposals. One is that it is axiomatic for the strategy that more planning permissions (or land on which permission is guaranteed or has prior approval) will lead developers and land owners to develop more and bring prices down. It has yet to be explained why developers should continue to build when selling prices are falling, indeed they seem to be adept at avoiding ever doing that by trickling-out their completions slowly enough to maintain high selling prices²⁵.

A second contradictory feature of the government's plans is that, while they trust 'the market' to deliver the homes we need, they plan also to set each local authority a binding target to ensure that enough land is identified to achieve a pre-determined target of 300,000 homes per year for England as a whole. The extent to which any number of additional homes would make a difference to affordability in problem areas depends of course on where the homes were built, at what price level and so on, so a national target is a meaningless thing. In an attempt to appear rational, the government first tried a formula which gave the biggest targets to areas exhibiting the worst affordability, not a bad idea. This, however, pointed to massive building in many of the luxury home counties and privileged Tory strongholds whose MPs rose up to protest. That formula was replaced by one which allocates more of the production to urban areas, without much justification beyond that. The outcome remains to be seen but it has always been a problem for the Tories that they can't simultaneously gratify employers and workers who want more affordable housing and the landed and owner-occupying rural interests and the housebuilding corporations (their patrons) which want ever-escalating prices.

The government's proposals are very narrowly cast, disregarding the aspects of the housing problem involving debt, pensions and saving, affecting transport, the environment and global warming or the macro-stability of the whole economy. Planning is seen as the problem and major changes to planning are seen as the solution.

The government's planning proposals appear mainly disconnected from 'Levelling Up'. The detailed proposals in the white paper would certainly have made further inroads into the production of new council/social housing, continuing a long downward pressure on highly affordable types of output. It is social housing at council (or social) rents which is most urgently needed in almost every part of the UK. The proposals in the White Paper prioritise subsidies to 'First Homes' and other middle market supports, give local infrastructure priority claims on development levies and threaten to leave less and less support for social housing. That would add to inequality.

Most important in the long run is that granting landowners an *entitlement* to develop (providing only that they satisfied some rules) would make it harder or impossible for a future government to restore the public right to compulsory purchase at existing use value. That right would be crucial to many of the instruments a progressive government could use to enable new

developments or transformation schemes in the interests of the whole society and its coexistence with nature.

Solutions

The government is wrong about planning. What would be right?

If 'Levelling Up' is to have substantial meaning it would have to tackle the roots and mechanisms of inequality. Many of these are non-geographic and lie outside the scope of this pamphlet and the White Paper: the balance of direct and indirect taxes, social security benefits, labour market regulation to improve job security, safety and union rights, land, inheritance and capital gains taxation, corporate governance and pension funds.

However there is much that planning could do –indeed will have to do– to respond to the twin challenges of Levelling Up and the environmental crisis.

Most important of all would be to contribute to housing being valued less as a financial asset and more as space to live. There will need to be less pressure for price escalation and more for price stability. If people are to be relieved of the need and incentive to pump all their savings into housing there will need to be new and appealing media to attract them – to spend or to save in environmentally sustainable ways. This will be a major challenge for departmentalised government because the whole economy and society will have to change.

Britain will have to work out how to use and modify our deeply unhelpful settlement pattern, including how to meet more of our needs without powered travel (against the trends of concentration in public and private services). We have to evaluate alternative strategies for retrofitting our ageing building stock & supersede fossil fuel heating and transport. Because of the massive amounts of embodied carbon in our inherited stock of buildings and infrastructure we'll have to live with most of what we have, to minimise demolition and replacement.

All of this will be both scary and emancipatory. We shall all have to sacrifice some beloved activities and habits, explore and design new ways and places of working, ways of collaborating and sharing, ways of getting around, feeding ourselves and each other and so on. This amounts to a lot of planning —more, not less— which will need to engage the support and enthusiasm, or a least consent, of entire populations in neighbourhoods, cities, regions and scaling up to the whole world. This is not a time to restrict democratic public participation in local affairs. Quite the reverse.

Planning for the economy —recovery, infrastructure and local survival or transformation

Current problems to be tackled

The scale of change needed in different localities varies widely. Areas with deep problems exist all over the country, but they are more concentrated in parts of the Midlands and the North. So the challenge is both national, to improve areas with problems wherever they are, and regional, to have a supplementary focus on those regions and sub-regions with the biggest concentration of poverty and often related problems. Similarly the causation of the present situation is both national and more specific to local areas, based on their varied deep historical geographies. Nationally the massive cuts to social security and virtually all public services in recent years (above all in the last decade) have caused hundreds of local crisis zones, where the previous public support at personal, community and wider area levels has declined and social, economic and environmental suffering has been generated by this deliberately chosen governmental path²⁶. This part of this pamphlet seeks to analyse these problems and then consider new approaches to dealing with them effectively. There is a focus on planning later, but this always needs to be seen in relation to the wider picture of causes, processes and supporting public policies needed.

Framing the question: rhetorical “Levelling Up” versus tackling the foundations

The UK economic question, nationally and locally, has been framed in various ways in the post Brexit period, partly in relation to Brexit, partly and for planning purposes most centrally, by the language of “Levelling Up”. In some ways this is clearly a desirable aim, shared across the political spectrum and in some sense a continuing aim of government policy since at least the 1930s. There can be sophisticated and necessary discussions about what the term really means, but that is not seen here as the main issue. What is increasingly clear is that the problem with the Johnson government’s espousing this aim as the dominant one of its short and long term agenda is that it has no idea of how to achieve it. Criticism has already been emerging across the political and intellectual spectrum on the weakness of current measures, which are mainly a combination of rhetorical politics and the setting up of numerous Funds which places have to bid for. The 2070 Commission has given the matter far more study than the government, moved somewhat further towards a diagnosis of the problem (clearly historically deep seated), and has proposed possible long term measures (hence the 2070) which might address it. Another body giving intelligent consideration of “growth across regions” is the National Infrastructure Commission²⁷

It can be argued that even the 2070 approach will leave underlying issues unaddressed, which rest in the long term political economy of Britain – hence their enduring recurrence. Although readers of this pamphlet may not wish to engage with this basic political economy, it can be

argued that if one is serious about the real improvement of livelihoods, this is necessary. Below, one new reframing is offered, before moving back to the arguably somewhat more widely politically acceptable approach represented by *foundational economy* thinking.

Nancy Fraser has recently valuably reframed the way in which we may consider the nature of capitalism²⁸, and this can be linked to ways of thinking which have been developing in the UK social sciences over the last decade and have begun to be related to planning. Fraser argues that we need to understand capitalism in a much more expansive sense than has been normal. Whilst its economic dynamics remain critical, these rest within a series of “background” elements which make up the whole picture. Very briefly these elements are social reproduction, the inputs of environment and nature, the separation of economy and politics, and processes of global exploitation and expropriation, which are intertwined with racism and related cultural phenomena. The “foreground” economic has to be connected to these other dimensions, because they are mutually constitutive, internally related. So an English town can be analysed in terms of its employment, investment and other economic categories, but the really existing local capitalist society is also constituted by the communities, natural environments, politics and cultural make-up and relations. In its most radical or sometimes socialist moments, programmes of local economic development have been aware of these links, for example in garden cities or the local socialist programmes of the 1980s.

The most recent expression of something like this kind of thinking is the development of the concept of *foundational economies*²⁹. This has been used to highlight the fact that all localities have a wide range of employment and an equally wide range of forms of often unpaid sources of social reproduction, at work in families, community networks, and connected to public services. In Oxford the BMW car works is a typical “export” sector, as is international tourism. But public institutions like the universities, hospitals, councils and the less visible but equally critical unpaid reproductive sectors all make the economy (in a wider sense) work. Equally this ties in to the operating of the “local state”, intertwined as this is with the UK national state, and to the services and processes of ecological systems and resources provision from outside. Whilst it may be difficult to hold all this in our mind at once, it is argued here that we need to think of the planning project in relation to all these dimensions, when thinking about localities and what they need in the future. In fact it is precisely planning’s potentially integrating (in Fraser’s terms *transversal*) nature –or at least aspiration– which makes it so right for relating to this kind of transversal reality and analysis.

Current wrong approaches

Almost everything has been wrong about recent approaches to “planning and the economic”.

One very elementary mistake was expressed by a previous Treasury advisor in a recent webinar as well as by another Conservative speaker, when it was said that it was impossible to think about longer term measures when considering recovery measures from a crisis like Covid. Tell that to the designers of the EU or Biden packages, let alone the long stream of proposals for Green New Deals since 2008. Such myopic thinking may well be normal in the Treasury but must not guide thinking about planning approaches. This is surely an ideal time to think about how to chain together short, medium and long term measures.

The continuing massive cuts in public programmes (Covid special measures notwithstanding) have decimated foundational economies. Government policy could hardly have been better designed to “leave behind” great swathes of the country: government led the leaving behind. It would be possible to pin down some of these more narrowly economic forces by analysing the seven sectors illuminated by Brett Christophers as at the heart of UK “rentier capitalism”³⁰. These serve to reveal why productive capitalism is usually an afterthought in the UK, as against sectors that can be milked for high profits without too much work —property development, carbon capital, and infrastructure development in particular. This needs to be at the base of a deeper intellectual challenge to planning thinking, but will not be developed here.

Other elements of recent government policy (beyond the above “austerity”) have been equally damaging for most local economies, including knee jerk repeated deregulation of planning and some other public policy sectors, the trickling sectoral deal or fund-based approaches to what used to be called regeneration, and the excessive and crude focus on housing numbers, to the detriment of integrated approaches and housing quality for those most needing it. Much of this is very reminiscent of 1980s approaches, which stressed deregulating enterprise zones and centralised intervention via Development Corporations and almost total control of local council spending. Those were largely wasteful and unsuccessful, although leading to certain forms of regeneration where enough public money was put in, often forms which had little attractiveness in wider societal terms –visible in London Docklands then or central Manchester now. Free ports and deep removal of planning control from councils show a mere updated variation on the same themes, probably even less effective, and demanding even more public money to give any returns³¹. Public waste is at the core of this path.

New approaches needed

Local authorities are in a very weak position, in the great majority of cases, to make real improvements across all the fields which Fraser’s analysis demands. The much-commented-on Preston model, or others in London and elsewhere, are of value, but their limitations are clear. Whilst more can no doubt be done in several areas to take action locally, whatever central government does, it will be a struggle to get far unless several of the constraining conditions are changed. This is because all these dimensions are linked. To improve local environmental conditions needs both regulatory control and budgets. The same applies in helping families and schools. Council housing is being built, by councils of all colours, but for this to be on a large scale, councils need to be able to control far more land, and retain or get back planning powers. Intervening in local cultural politics needs political capital which comes above all from doing things locally. An astute mayor like the current mayor of Bristol may be able to manage the pressures on the statues issue, but this will be hard without any access to resources and across the board public programmes –as well as with less dictation on the direction to be taken by local cultural institutions like museums.

Planning needs to move forward on a wide front, if it is to point towards the future which is needed. The challenge of zero carbon is increasingly widely identified, but this needs to be central to the next generation of Local Plans, in whatever form they survive, as well as to be connected up into the real geographies of regional economies, societies and ecosystems,

through some kind of new strategic planning. The National Infrastructure Commission has pointed to the necessary transformation of city regions across the country, and this is incorporated in the 2020 National Infrastructure Strategy³². The NIC is following this up with a study of smaller urban areas. But there are no systematic mechanisms or programmes for advancing on energy, transport and housing-retrofitting locally, in which planning could and should play a central part.

Economic recovery in most areas will depend on the patient input of public support from the national level, with guaranteed funding to the core building blocks of every foundational economy. As the NIC argued, transport settlements for city regions should be for at least five years, as are the national settlements for rail and road investment. Instead of small pockets of money released to politically favoured areas, reinventing the worst traditions of pork barrel politics³³, there should be equity-based longer term settlements supporting local councils. This will then enable councils to build a new approach to local economic and social development, tied into low carbon trajectories. This can only be done at local and regional levels, and can only have legitimacy if led by democratically elected councils, working with advanced forms of deliberative discussions with their electorates. Planning should be at the core of this, integrating all the parts together in both the statutory plans and into wider Futures Plans.

Two good examples of fields where socio-economic gains and cutting back on carbon should be grasped now are the care sector and improving the housing stock. Given the nature of social care, this gives very good gains in gender terms³⁴. House retrofitting by insulation and replacing gas boilers with heat pump or other improved systems can also be led by progressive training programmes. Both sectors should be part of the push for living wages across increasing swathes of foundational economies.

Big new infrastructure will often be needed, as the NIS shows, with new rail capacity essential if the phasing out of the motorway system is to be a genuine aim for a decade or two's time, putting the great majority of freight and passenger transport into sustainable movement modes. Lots of new hydro, solar and other renewable electricity generation will be needed, as well as massive investment in energy saving –if the dinosaur fossil and nuclear plants are similarly to be phased out, and our current high-carbon-based lives left behind. The next NIA or NIS should become genuinely deep green and tied in to socially led regional policy. But for now, the current NIS can be used to back strategic plans across the country. All this should be at the core of local economic and community strategies. A fresh form of transversal local and strategic planning has to be invented to get all this moving towards implementation. Local Plans just focused on housing numbers and green belt fights should become a thing of the past.

Restoring local government is key to Levelling Up

This section of the pamphlet argues that the Whitehall approach to local government over the last ten years has systematically increased social and economic inequalities across the country—and the proposals for Levelling Up do not propose in any way to reverse this. In fact, they will make the country more unequal by funding projects on the basis of short-term electoral advantage, thus achieving precisely the opposite of Levelling Up. The opportunity to re-empower and resource local government to enable Levelling Up to be meaningful (including re-instating its democratic planning function), is staring Government in the face but for ideological reasons they will not go there.

After ten years of cuts and unequal treatment between rich and poor authorities, public services particularly for the most vulnerable and the most economically deprived have been severely damaged by underfunding and out-sourcing. These cuts have made positive planning for communities almost impossible.

Local government services (the list includes: social care, housing, planning, public transport, parks, libraries, play centres, education, public health, youth services, traffic and transport, support for the community and voluntary sector) are the fundamentals of community life. They have been cut back, privatised—and demoralized.

Some local authorities, e.g. the Metro mayors, have fought back and have come up with creative solutions to show that even when central government is not supporting them there are alternatives. Many other councils have accepted their fate or have sold off land and buildings, making recovery even more difficult and expensive.

Inequality is the result of deep economic and social factors but one of them is the sharp geographical difference between the ability of local councils to tackle the social and economic conditions they are faced with. All public services are affected. Taking one recent example, the 2021 MacAlister report on young people in care said that ‘Children living in the bottom 10% most deprived neighbourhoods are ten times more likely to be on a child protection plan than those in the least deprived neighbourhoods’. Another example is the 70% cut in youth services over a decade – 4500 youth centres closed across the country particularly in the poorest areas. Another example is the shocking under-resourcing of children’s services across the board which are greater in the most deprived and cash starved councils³⁵.

Long running persistent inequalities across all communities are a daily fact of life for most local authorities. They deal every day with people queuing desperately for housing and social services and are only too aware they are unable to meet these needs.

This is the scale of inequality that must now be tackled if ‘Levelling Up’ is to mean anything. Gross social disparities between regions and within towns and cities cannot be reversed by political sound bites from No 10 Downing Street. They require deep structural, people-centred change, and a massive redistribution of resources and powers.

On top of all this, the Covid pandemic has hit the most deprived areas hardest. The Marmot report on Greater Manchester³⁶ (2021) spells out that Covid mortality was 25% higher in the

poorest areas of the city than in the country as a whole. Covid exposed problems of poor housing, lack of open space, inequalities of health care and schooling, and inadequate care for children and the elderly. In other words, the most deprived and disadvantaged areas of the country have got more deprived and have suffered most as a result of the pandemic. Thus, there is even more catching up and redistribution required.

The problem

According to the Institute for Government there was a 36% cut back in real terms in central government grant to local authorities in England between 2009 and 2018. This amounted to a reduction of £10bn between 2009 and 2018.³⁷ The most affected by these cuts were Metropolitan authorities and London Boroughs, many controlled by Labour, which had the highest levels of deprivation in the country. Least affected by cuts in central government grant were Tory authorities in the East, South-East and South-West with lower levels of deprivation. In other words, the cuts affected those who needed it most.

Moreover, the mechanisms that were supposed to compensate for the cuts in central government grant –increasing council tax and using business rates– are least effective in the most deprived areas because their poorer residents suffer most from council tax rises and because their economies generate lower levels of business rates income. The business rate is a national rate of tax on commercial property values set by Central Government and is the same across the country so that revenue from business rates is higher in wealthier areas (which have more valuable business premises and often more of them) and lower in deprived areas which need it most.

Although councils have put up council taxes and used receipts from business rates, these contributions to services have not made up the shortfall. The Local Government Association say that even if these compensations continue, there will be a £7.8bn funding gap to 2025. Indeed, Government has now virtually cut all revenue support to local government. 168 local authorities will receive no central government revenue support at all in 2021. They must rely entirely on council tax, charges for public services, and business rates – whatever the level of inequality, need or deprivation. Overall, the Institute for Fiscal Studies anticipates Government will spend between £14bn and £17bn less on public services from April 2022³⁸.

Even if the shortfall was miraculously made up, this would only take us back to 2009 levels and will not deal with deep levels of inequality, nor with the increased demand for child protection, housing for the homeless, social housing and social care.

The truth is that when 10 Downing Street talks of 'Levelling Up' they do not mean reversing austerity, or a systematic programme delivered by local government and other democratic channels to tackle poverty and inequality across the country. Instead, they are engaged in electioneering. They promise money for 'Red Wall' constituencies for roads and buses for example to meet demands from their new MPs that voting Tory means something. But they will not get to grips with restoring and enhancing core local services such as adult social care, education, public housing, parks, and libraries. This is evident from the fact that the Levelling Up Fund does not include a new revenue funding deal for local services. Deep problems of

deprivation and disadvantage across the country require major and sustained increases in revenue funding for public services.

Where does town planning come in?

Planning is needed to designate land for housing, public services, open space and employment. It is also a system that allows the public to debate individual planning applications wherever they may be. It is a crucial instrument for a democratic spatial distribution of resources and services. Yet, over the last ten years, town planning services have been cut back and planning controls have been reduced in the interests of promoting growth at any price —enforced in particular by national house building targets and extensions of Permitted Development Rights. Government sees town planning as essentially an obstacle to business —not a framework to ensure it has some democratic spatial logic. Whitehall will apparently decide what capital and infrastructure projects it will support, and the planners and communities will just have to accept it.

Regional coordinating bodies like the Northern Powerhouse give the appearance of local legitimacy but on close inspection it is clear they are run by establishment appointees (George Osborne chairs the Northern Powerhouse, for example) and are a channel for Whitehall decisions. They in turn are shadowed by the Northern Research Group of MPs who are mostly Northern and Midlands Tory MPs strongly focused on getting Government funding for their own constituencies. In this context, inequalities and poverty –and local democracy- are secondary.

The limited role for local democracy is illustrated by the terms of the changes foreseen in the WhitePaper. In a different world a new planning act would strengthen local democracy, but in the world of Downing Street the opposite is the case. Local planning authorities will be required to scrap their existing Local Plans and draw up new plans to a Government-imposed timescale and mandatory national house building targets. The plans will designate areas and sites where, instead of public scrutiny of planning applications, there will be automatic consent. Local government planning departments will face the wrath of communities when they designate automatic consent areas against the wishes of the public. It will cost a small fortune in administration and delay to make the changes. One thing it will NOT do is level up economic, housing, environmental or social conditions across the country.

Local authority views

Local authorities know that Levelling Up cannot be just about the North/South divide or pork barrel politics but must tackle inequality within all regions and towns and cities across the country³⁹ Nor can Levelling Up be funding solely for infrastructure and capital projects. It must include increased revenue funding for core services. Yet it is inconceivable that HM Treasury will let go its control over local budgets and projects. Rather the opposite, as the post pandemic fiscal crisis begins to bite, HM Treasury will insist on even more control –happy to spend from the Magic Money Tree when it suits their politics but not on local government services.

Local authorities are determined that funding must be based on objective assessment of needs and non-partisan funding criteria. It cannot be pots of money for town centres or bus routes handed out on the basis of Whitehall criteria influenced by party political bias. Nor does it fool anyone to give out funding for infrastructure and, at the same time, to limit funding for core national services like Universal Credit, NHS, Education and Skills, Social Care and Criminal Justice that are essential for reducing poverty and inequality.

Local authorities want to know what Government really means by Levelling Up. What will be the definitions of success? How will Levelling Up be measured? And over what period —2 years, 5 years, 10 years? Will it be measured by convergence of educational attainment, reduced crime and increased community safety, higher wages, more job security, longer life expectancy, lower housing prices and better quality? What of environmental measures such as access to open space, enhancing biodiversity, and reducing flooding? What of the new challenges of retrofitting older buildings, and greening the economy? And what of the post pandemic public health services run by local authorities – will they get additional funds and who will pay for that?

It is reasonable to think that the Government indicator will be something crude like ‘jobs created’ or £s of investment. We know how bad those measures were in the regeneration zones of the 1980s. New buildings went up but poverty in and around the regeneration areas was untouched. ‘Trickle down’ failed. Who will be blamed for the inevitable non-delivery of Levelling Up targets —local government or central government? – it is not difficult to guess who the Government has in mind.

Solutions

There is no mystery about how to ‘Build Back Better’ or ‘Level Up’ in a genuine way. The independent UK 2070 Commission in 2020 produced a post-Covid ten year action plan which called for a radical redistribution of power and funding⁴⁰. It identified five criteria: filling the productivity gap; access to jobs; a unified standard for basic services; raising educational attainment; and equitable proposals for social mobility. The Commission argued for a comprehensive Roosevelt-style New Deal to deliver a compelling regional realignment.

A new funding formula for local government and strong, purposeful spatial planning would be at the centre of achieving this agenda, directing development to where it’s most needed to address long-standing uneven development.

The Marmot report into poverty in Greater Manchester could not be clearer that poverty must be tackled at a deep level. The proper revenue funding of local government restoring powers over health, social care and planning is essential. There is no technical difficulty in delivering this – it is entirely a political issue.

Levelling Up is a political slogan. It is plainly not a strategy for tackling spatial inequalities or for rescuing cash-starved public services. Without reviving local government and creating a fully functioning democratic planning system, communities and public services cannot be rebuilt. Levelling Up appears to be mainly about funding capital projects in ‘the Red Wall’ areas in order to create a political feel-good factor. The planning relaxations would have a part to play in this by giving automatic permission to selected capital projects with minimal local consultation.

Elsewhere, there will be few handouts. This pork barrel, 'trickle down' approach will increase spatial and social inequalities not reduce them. Continued revenue cuts to local government and the centralisation of economic and social policy in Whitehall tells the true story.

As for the democratic town planning function of local government, it continues to be marginalised. As long as this is so, spatial inequalities will increase. There is no vision from the Government that sees town planning as a constructive democratic function to guide a reversal of deep social, economic and environmental inequalities across the country. The absence of this vision reveals the bankruptcy of the Levelling Up agenda.

Green Recovery

Planning for the Future does not pave the way for the ‘green recovery’ that England needs in order to address the crisis of climate change and the consequences of the Covid-19 pandemic on society and the economy.

A stark warning has been issued internationally by the Inter-Governmental Panel on Climate Change’s latest report.⁴¹ Society has had an “unequivocal influence” on global warming. Not all societies have had the same influence, given the much greater level of emissions from countries such as the UK. The “scale of the change is unprecedented” according to the findings. We can all observe the extreme weather events happening both here and across the world. Historical emissions’ effects will continue to be felt in the coming years. And only an extremely radical reduction in emissions will stabilise the situation.

The way in which the country responded to the pandemic relied upon the willingness of people to act in an emergency in a way that protects others, not just themselves; public trust and support for the national health service, for the use of regulation and local government delivery. Responding to the climate crisis requires similar thinking.

Deregulated planning cannot address climate change. We need to organise a collective public response to a broad societal crisis. Public structures are required to address the mammoth task of getting to net zero. For a green recovery to be realised, a strong public interest planning system is needed.

The pandemic has shown the vulnerability of our economic and welfare structures. Essential jobs in health, cleaning, social care and food retail are shown to be some of the lowest paid jobs in the UK. Stark inequalities have been revealed and widened, like Manchester’s life expectancy being so much lower than wealthier areas in the South of England.⁴² We need better public health. That means being able to walk to the doctor and dentist safely, being able to call to your children playing in the park from your flat or home wherever you live, breathing clean air on your doorstep, and having enough space inside your home to be comfortable whatever your income. It also means having homes that are cool in summer and warm in winter without huge bills mounting up. The planning system is capable of delivering these outcomes for communities.

The crisis of climate change

The crisis of climate change and the devastating impact it is having on our world is described by economists such as Lord Stern as a market failure.⁴³ Cities such as Hull and Portsmouth are facing over 1 metre of sea level rise in the next fifty years.⁴⁴ The planning system is capable of being a strong market control, correcting some of that failure – it can prevent urban sprawl and out of town development, promote the re-use of brownfield land, require zero carbon homes, enable renewable energy, pedestrianise town centres, increase cycle lanes, and restrict fossil fuel extraction.

Planning and the green recovery

Why are the rules we need to drive a green and equitable recovery being removed in England when the country has less than 15 years to make radical changes to our housing, transport and energy systems? By 2035, the UK has committed to a 78% reduction on emissions.⁴⁵ To realise this reduction, radical action is needed. The Committee on Climate Change has recommended a “net zero test” including for all planning decisions.⁴⁶ Given the major role planning has in shaping the buildings, transport and energy systems that can deliver on the UK’s legally binding greenhouse gas emissions reduction target and its commitment to the Paris Agreement, any planning reform has to be tested with this in mind.

As we are already on course for significant sea level rise and significant flooding increases, we also have to adapt to these changes. Can we do this without working together through planning?

Planning provides the opportunity to think and plan collaboratively for how places could function within a climate-adapted, zero carbon world. Deciding on what happens where should also be done democratically and *with* people, rather than *to* people. Just as the pandemic has had a profound impact on people’s lives, and people have had to act for each other, so will tackling climate change have a profound impact on everyone. Communities are best placed to plan and decide for themselves, with technical help, how to change the places and ways we live to zero carbon.

What are the new jobs in the green recovery?

There is huge potential for quality jobs in building and retrofitting, engineering and technology, green and blue adaptation. In England’s renewable energy and low-carbon economy, the Local Government Association says that nearly 700,000 direct jobs could be created by 2030, rising to more than 1.18 million by 2050.⁴⁷ Insulation, offshore wind and heat networks are just some of the areas where high job potential has been predicted.⁴⁸

Zero carbon homes

There are currently no plans for the updated building codes to require zero carbon until possibly 2025.⁴⁹ That means that it will have been almost 10 years since the original target of 2016 for building zero carbon was adopted and then abandoned. There are over a million unbuilt permissions for homes, very few of which are zero carbon.⁵⁰ While these new permissions and the homes that are consented over the next 30 years are crucial, it is estimated that 84% of the 2050 built environment is already in existence now, so a huge retrofit programme of insulation is also required.⁵¹

Active travel

Most journeys in the UK are made by private car and there are over 30 million cars on the road.⁵² It isn’t possible to swop all of them for electric vehicles. The greenest way to move

around, and one that more people have had a chance to experience because of the pandemic restrictions on travel, is by walking and cycling. But we are currently walking and cycling around places that have been built around the private car, so we need to reallocate the road space accordingly. We have to rethink the way we travel, planning and retrofitting development around public transport for those longer distances, and considering the new infrastructure we need such as electric vehicle charging points. We also have to rethink choices around where we live – actively choosing to live in places that have everything we need within walking distance.

Renewable energy

Coal fired power stations are due to be phased out by 2025. Renewable energy generation from wind and solar has overtaken gas and coal for the last year.⁵³ Despite the plans for much more offshore wind,⁵⁴ onshore wind is subject to an effective ban through planning in England. If the electricity system for the UK were to be 90% renewable by 2050,⁵⁵ we would need to be doubling the amount of renewable energy capacity that has so far been built every year over the last five years. Electricity use will increase as transport moves across to being powered by electricity. Harnessing solar, wind and hydro energy has the advantage that they are geographically distributed – every community can have access to one or more of these sources, and every community can have jobs in relation to building and installing these new energy systems.

What do the planning reforms mean for the green recovery?

The Government's 2020 White Paper reforms for planning in England would have meant that there were no longer individual decisions on many development proposals. At the time of writing we do not know what forms of new deregulating planning will emerge, after the pausing of the White Paper proposals. But any further weakening of planning will weaken the climate change response.

Permitted development rights have seen over 70,000 homes created or converted from existing buildings since 2016,⁵⁶ none of which had any climate change or significant health considerations evaluated. Increasing amounts of permitted development are being proposed despite these problems.

What does a planning system for a green recovery need to do?

As Lord Deben pointed out to the Commons' Environmental Audit Committee inquiry into the sustainability of the built environment: "MHCLG is central to the achievement of net zero, and unless this is its driving force, we are not going to do it."⁵⁷ The land use planning system in England is currently hampered by complexity introduced by successive reforms, increasing amounts of permitted development,⁵⁸ weak national guidance in the National Planning Policy Framework, and the absence of legal duties to consider climate change mitigation, and resilience, on decision-taking under both major infrastructure and town and country planning systems.

The question is then how does the planning system achieve the changes in housing, transport, energy and the natural environment that we need. First, the planning system needs to be stable and plans need to be based on the risk of severe climate change impacts. Many of the measures that we need to take to address flooding or sea level rise require long term plans. This is where spatial planning comes into its own as responding to urban heat or flood risk cannot be done on a site by site basis. Planning must also be able to prohibit development that is simply, geographically, unsustainable. This may be in areas of extreme flood risk or coastal retreat. Other measures that should be introduced are that planning decision-makers have duties on resilience that are clearly defined and that the Climate Change Act 2008's budgets are connected much more strongly to plan-making and decision-taking.

Conclusions

We have made clear in this pamphlet that while the aim of levelling up deprived parts of the country is unarguable, the way the Government is tackling this is superficial, driven by short term political motives and in a way that will increase regional disparities rather than reduce them.

We have stressed the umbilical linking of 'Levelling Up' with a positive active public planning agenda. We hardly need to repeat that the current anti-planning reforms proposed by Government will give no help in creating that integration of public investment in certain localities required for 'Levelling Up'. Quite the opposite, it is hard to see how the current government mindset on planning could do anything but harm a serious approach to Levelling Up.

This is in part ideological. Levelling Up needs joined up collective action over long periods, steered by governments. We would know for example if the government was taking Levelling Up seriously if it was focusing concentrated attention on the plight of deprived communities across the country, as well as abolishing poverty wages and zero hour contracts. Policy reversals like this are needed alongside planning if locality packages are to make genuine progress over the medium term. For this, current Conservatism has to shift its basic ideas, or it will simply fail on this, as it will on climate response. Does it want such failures as its legacy? (In fact, we think it will prefer failure to changing its ideas.)

Levelling Up and climate action together

Following on from the last section, there is a risk that the equal urgency of this social-economic agenda and the climate crisis conditions we are in will not be thought through together. When the 2070 Commission published its main report in February 2020, the climate issue was given limited prominence, with the programme presented not stressing the integration of the regional question and the climate response question. The approach might be characterised as predominantly a contemporary, thoroughly updated version of public regional policy, as it was practised from the 1930s to the 1980s, or, putting it another way, emulating the massive effort made by Germany to haul up its eastern regions to the national average of life conditions, over 30 years.

The 2070 Commission's October 2020 report began to close this gap, and we would point readers to the Commission's work, including both major reports⁵⁹. These contain a far more serious engagement with Levelling Up, however that is conceived, than does the Johnson government. Perhaps the White Paper on Levelling Up expected in late 2021 will redress that balance, but we are not holding our breath. Unless these three policy fields are knitted together –helping localities with the most problems, planning the future in socially and environmentally sensible geographies, transitioning to net zero –none will be remotely successful.

We argue in this pamphlet that the proposed planning reforms will make disparities worse, both regional/urban disparities and those nationwide yawning gulfs associated with the broken housing system.

But what planning reforms would support long term locality improvement for the worst hit areas?
We can state six broad criteria to start with:

- Reforms must give localities public steering strength, by withdrawing the recent rash of permitted development rights (which strip places and communities of power) and ensuring local plans can take back control of how space is used.
- Within localities, reforms must strengthen the roles played by citizens and communities, without whose active creativity and support neither Levelling Up nor adequate response to the climate emergency will be possible.
- Reforms must enable decisions at the right level, by creating strong strategic plans for economic development and housing with long term funding attached.
- Planning must make public health a key objective of decisions about new development.
- Reforms must make zero-carbon a core requirement of every Plan and every substantial planning application decision.
- Social housing & special needs housing should be prioritised to help reverse the mechanism which makes housing worsen inequality.

Notes

¹ Robert Jenrick, speech to LGA Conference, 2021

² Alex Morton and Jethro Eisdien, *Reshaping Spaces*, Centre for Policy Studies, 2021

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