

## **Framing a Spatial Perspective on the Future for the UK**

### **FURTHER CONTRIBUTION FROM LONDON AND THE SOUTH EAST**

Following the Symposium on 7 December 2016, this Note amplifies the baldly stated growth propositions in this part of the country, mentioned at the end of my paper dated 18 November and orally at the event. It was a personal contribution to preparation of the CFN's interim Prospectus, and is now, updated as appropriate, for the 31 May Round-table on the Prospectus's Proposition 5.

As indicated in my 18 November paper, Brexit will be significant for the scale of London growth in two particular respects: whether the extent of net in-migration is reduced, likely to impact particularly on the knowledge industry, hospitality and construction sectors; and whether financial and related services retain some form of open access to the EU including 'passport rights'. These are key issues for the negotiations and we will not know the outcome for some time.

Critical for our purpose will be the effect of Brexit on expectations for London's housing requirements. Work for the London Plan Review, starting from trend-based projections of household growth, indicates requirement over the Plan period of around 55,000 new dwellings per year. While the Mayor will seek to maximise the extent to which this can be provided within London's boundaries (from sources referred to in my earlier paper) it is clear that a significant proportion would need to be provided beyond. I would tentatively assess this proportion at around a quarter of the total, based on a realistic assessment of land capacity within the boundary and a steady increase in the net movement of Londoners out in search of more affordable housing and a wider choice: it could be higher.

However, the trend basis of the requirement assessment seems unlikely to remain valid given the Brexit impacts. This indicates that the future will be unlike the past, casting doubt on trend-based projections. A reduction in the overall requirement could result, the extent of which is unknown at present. The situation posits a scenario approach, to explore the implications of lower levels of growth.

The very high cost of housing and other factors stimulating out-migration require consideration of where provision should be made for those who will be unable to find housing which is affordable and of the type they desire. I stated in my earlier paper that the wider London region as it has been understood, both within and beyond the Metropolitan Green Belt, could not be expected to make further provision for Londoners. The following reasons are apparent:-

- LPAs are finding it increasingly difficult to meet their own assessments of housing need in ways that are in any sense sustainable, and are likely to oppose further demands;
- Transport infrastructure, both road and rail, is increasingly at or over capacity; new development is predominantly car-based and is worsening traffic congestion and air pollution and hence quality of life. Traffic

conditions on the M25 London Orbital, despite years of capacity enhancements, is steadily worsening.

- There is a growing lack of capacity in strategic water supply and drainage infrastructure, and increasing risks of flooding.
- Social services including the NHS are under particularly increasing strain.

I conclude that the wider region, up to 50 miles from central London, should be regarded as generally 'full up' and unable to accept more 'overspill' from London.

The only possibilities for London-related growth within the wider region may be within the Growth Corridors shown on the existing London Plan Key Diagram, extending outwards. Three such corridors are significant:-

- Thames Gateway including Ebbsfleet Garden City, with centres out to Medway and Southend, with some of the least unaffordable housing in the south-east; it is now the subject of a Government-led Thames Estuary Growth Commission, expected to report shortly.
- London-Stansted-Cambridge, being advanced by the joint public/private consortium, including Crossrail 2 and upgrading the West Anglia main line, with sustainable development potential at Harlow, around Cambridge and Huntingdon (now to be advanced by the new Cambridgeshire CA;
- The Western Wedge, whose profile would be greatly enhanced by the Government decision in favour of Heathrow runway 3 and terminal 6, which would generate considerable employment (estimated by proponents at between 40,000 and 70,000 new jobs) requiring additional housing growth – cross-boundary collaboration would be essential.

These growth corridors need to take a polycentric approach, recognising and building on the network of centres in the wider region and stimulating economic development and employment within them, rather than facilitating more commuting into central London.

These apart, and if we accept that what used to be known as the 'Outer Metropolitan Area' (aka the Home Counties) should no longer be seen in planning terms as available for London 'overspill', where should we be looking to provide for the London region's growth, however large it may be post-Brexit?

The essential purpose should be to provide for the growth generated by London's economy in ways which pursue two spatial objectives. The first is to get away from its high property costs, which is deterring business growth in knowledge industries – the 'tech' and creative sectors – particularly among SMEs where mounting anecdotal evidence suggests many are seeking locations in lower cost areas. This needs facilitating. The second is to locate London-generated growth sufficiently far from the metropolis that it escapes the magnetic pull of London and links effectively with other parts of the country along strategic transport routes. This would include the Midlands area where it can be related to the 'Midland Engine' concept, and westwards to relate to growth in the Bristol region and south-east Wales.

### **A Growth and Infrastructure Commission**

These objectives would need considerable underpinning by research and analysis, so that they can be expanded into an evidence-based spatial strategy. The agenda for this would include investigation of the present and foreseen extended functional geography of London's labour market and other influences along main transport spines; and where infrastructure capacity in the round exists or can readily be provided (e.g. the spatial effect of HS2 on the WCML).

To undertake this effectively, a 'Growth and Infrastructure Commission' would be needed and resourced. This could comprise a mix of academic, public and private sector representatives, which would examine the spatial situation and options in geographical sectors generally 50-100 miles (but with no outer limit) from central London.

Such a Commission would examine such development options based on relating sources of economic development and employment to housing provision, while understanding and respecting environmental situations and constraints. It would investigate ways in which provision made at a distance from London can be related to and relieve unsustainable pressures within the metropolis.

The Commission would take into account spatial concepts already being advanced, including the Oxford-Milton Keynes-Cambridge Arc currently under investigation by the National Infrastructure Commission; this would link towards Cambridge with the London-Stansed-Cambridge Growth Corridor referred to above. It would also examine development possibilities in the South Midlands area, towards and potentially linking with Birmingham and the East Midlands cities, and in the Western sector.

Such a Commission would form a sub-set of the nation-wide organisational arrangements being considered in the CFN's Prospectus and its propositions. It would clearly require effective links with the NIC.

**For discussion.**

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