

## **SEMINAR ON STRATEGIC PLANNING AND THE CHALLENGES FOR THE LONDON CITY REGION**

Supported by University of Westminster, Regional Studies Association (London and South East branch), the Common Futures Network and the Centre for Cities

University of Westminster, London 26<sup>th</sup> June 2017

### **Welcome and Introduction**

**Duncan Bowie** (University of Westminster) welcomed attendees on behalf of the University and the Regional Studies Association. He referred to seminar organised by the University and the RSA on Governance and Planning in London in September 2012, which was followed by seminars in Paris and Berlin. He also referred to the work of the TCPA's task group on London and the South East which he had convened over the last two years and the articles published by group members in *Town and Country Planning* in September 2016, the authors of which were contributing to today's event. That group had focused on the relationship between London and the wider city region, an issue pursued by the TCPA and others in contributions to previous reviews of the London Plan, following in the steps of Sir Peter Hall. The group had decided to collaborate with other groups who were pursuing similar objectives, including the Common Futures Network and the Centre for Cities, who had organised a round table on the London Capital Region at the end of May. The purpose of today's seminar was to involve others in this debate and to prepare for responding to the forthcoming review of the London Plan as well as to other planning related policy proposals for the wider South East. In organising the seminar, we were seeking to avoid being London-centric. The first session would therefore focus on perspectives from the South East and from the East of England; the second would focus on infrastructure and transport planning and delivery; the third on the changing demography and economy of London and social equity and the final session would return to the range of development options for the wider region and the issue of governance of the wider South East.

### **First session: London, the Wider South East and the rest of the UK**

**Prof Vincent Goodstadt** (session chair) introduced the Common Futures Network initiative and its recent prospectus for a new national spatial planning framework, which could serve as a basis for regional and sub-regional planning. The network had also responded to the Government's Industrial Strategy, National Infrastructure Commission Infrastructure Assessment consultation and to the proposals for a Cambridge/Milton Keynes/Oxford growth arc. One of the propositions in the CFN's prospectus was to develop a strategic planning approach for the London capital region. (<http://commonfuturesnetwork.org/mdocuments-library>)

**Catriona Riddell** (CRA Ltd and formerly chief planner for South East Regional Assembly) gave a presentation on a **Perspective from the South**

## East.

Catriona presented a chronology of planning for the wider South East from RPG9, Stephen Crow's report which had set high housing targets and caused consternation in the counties and districts, and the reduction of these targets by a third by John Prescott. She referred to the abolition of Structure Plans by the 2004 Act – the Surrey Structure Plan, which she had led, was adopted just before abolition. She commented that districts had found it useful to blame county councils for housing targets which were not acceptable locally. She then discussed the rise and fall of regional planning. In her view, the South East region was too large an area to plan as there was little shared interest across the region - sub-regional approaches were preferable and she noted the return to forms of sub-regional planning, though in some cases areas for joint planning were too small. However the regional planning system had been abolished before it had time to settle in. The critique of Regional Assemblies/ Regional Planning Bodies as undemocratic was unjustified- 70% of members were local authority representatives, while the remaining 30% were key regional stakeholders. The duty to co-operate was not effective, as had been widely predicted.

Catriona referred to positive discussions with Ministers (Sajid Javid and Gavin Barwell) on strategic and regional planning before the general election, though the London City region was more problematic politically. While the Thames Gateway remained a largely lost opportunity, the South Essex authorities were now actively engaged in discussions on the proposed Thames Crossing. The London South East policy and infrastructure collaboration group was little more than talking shop and was widely seen as dominated by the perspective of the GLA and Transport for London. The metropolitan green belt was difficult to discuss rationally. The case for protecting the Green Belt needed to be supported to a plan setting out where growth can actually take place.

The draft Mayor's Transport Strategy gave an indication of the likely direction of the London Plan review. From a city region perspective, the 2003 Sustainable Communities Plan remained relevant. Catriona also referred to the role of SERPLAN, quoting from Michael Howard's forward to *Thirty Years of Regional Planning 1962-1992*. Commenting on the diversity of the region, she noted that coastal areas of Suffolk had little relationship with London and Portsmouth and Southampton were largely independent growth areas. Such areas were cautious about regional governance arrangements. However there was a need for shared information and most districts did not give sufficient priority to strategic planning. She referred to positive collaboration within both Oxfordshire and Cambridgeshire districts. She also noted that the National Infrastructure Commission was undertaking a sub-regional planning role in relation to the Cambridge Milton Keynes Oxford arc.

**Cinar Altun** (policy and secretariat manager, East of England Local Government Association) gave a presentation on **Promoting strategic thinking and collaboration in the East.**

Cinar commented that the East of England LGA had had little interest in the London Plan until they were consulted on the last London Plan review. The London South East forum was useful but there was caution about being seen to be making commitments. The East of England councils were perhaps less adversarial than their South East colleagues. The East of England was now more positive on growth. She explained the governance structure of the EE LGA, which included a growth and infrastructure group. Improving orbital transport links around London was crucial.

The region recognised the London overspill issue. However the region wanted employment growth as well as housing growth. The private sector needed to be enabled to invest in the region. The EELGA facilitated conversations between willing councils and the GLA. There was however a need for consistency in structures/ frameworks for negotiation. The EE LGA was happy to lobby on infrastructure investment jointly with the Mayor and South East councils and a project priority list had been agreed. The change of Minister had however created a hiatus. The EELGA had commissioned demographic work by the LSE which related to the Wider South East as a whole.

## **Discussion**

Martin Crookston raised the issue of the diversity in inter-regional relationships. Catriona commented that there were more common interests between districts within the Outer Metropolitan Area. Current governance structures were not fit for purpose. She agreed that EE councils tended to be more collaborative than those in the South East. Cinar commented that many SE councils were localist. Vincent Goodstadt commented that previous growth areas such as New Towns tended to be more positive. Cinar commented that Hertfordshire was now looking to London and also pointed to the London Stansted Cambridge growth corridor project. John Lett stressed the importance of the 'coalition of the willing'. While SERPLAN had produced numerous reports, it had not generated a new railway network. Cinar commented that while Suffolk and South Essex were supporting growth, there was less interest from private investors. Tim Marshall commented that the National Infrastructure Commission's intervention in sub-regional planning appeared to be project led and that formal strategic planning structures were required. Corinne Swain pointed to the importance of the relationship with the rest of the UK. The nation was increasingly divided as young talent flowed to London. Knowledge sharing networks across the country were important. Nick Falk stressed the importance of tapping into land value to fund infrastructure. The Greater South East should use its own resources so that national investment could be focused on other regions where land value capture was more difficult.

## **Second Session: Infrastructure and Transport**

**Corinne Swain** (session chair) set out some key themes: public transport-led growth corridors within and beyond London; mechanisms for delivery including the case for TfL taking over rail franchises in immediate hinterland, and the case for increasing residential density around stations; The role of the

National Infrastructure Commission. Corinne referred to the CFN response to the NIC consultation; Innovation of the draft London Infrastructure Plan 2050, the benefits it brought in terms of advocacy with government, coordination between utility sectors, and mapping tools; New funding sources for local infrastructure including land value capture.

**Madalina Ursu (GLA) gave a presentation on the Mayor's vision for infrastructure planning and delivery in London.**

Madalina referred to the GLAs work on the 2050 Infrastructure Plan, which followed up on a recommendation made by the London Finance Commission. She noted the challenges for London – for example the need for a 70% increase in public transport capacity; 20% Increase in energy demand and a projected 10% deficit in water supply, and need for continued improvement in digital connectivity. These infrastructure constraints have been mapped spatially. Investment in infrastructure can act as a growth driver or growth enabler, as she illustrated in the Crossrail 2 corridor.

The utility companies operated on a competitive basis and were reluctant to share information. There was a lack of capacity and the regulatory regime did not support good planning. Investment was needed to support growth. There was a lack of vision and a fragmented market.

The GLA was producing a technical report on infrastructure in July. On 20<sup>th</sup> July there would be an infrastructure summit. The Infrastructure Delivery Board was to be re-established and chaired by Deputy Mayor Jules Pipe. There was also a proposal for a project management co-ordination unit which would build on the precedent of the Olympic delivery team. It was recognised that private investment was weak in some areas of London as well as in the wider South East. London could not accommodate all the required infrastructure so there was a need for coordination of provision across the wider South East.

**Marin Tedder (TfL) gave a presentation on Perspectives on transport planning for the London City Region.**

London already accommodated 4 million more trips a day relative to 2000. This was mainly buses and tube; rail network capacity increase was more limited, though Thameslink had been upgraded. Mode shift had been from 47% car use in 2000 to 36% in 2015.

An additional 6 million trips per day were anticipated by 2041. The objective was to drive down the car use share to 20% by 2041.

It was recognised that there were three big challenges for London: inadequate housing supply; growing inequality; poor environmental quality. Interwar growth had been enabled by transport schemes. Crossrail 1 was a transport scheme and had not been planned to enable growth; Crossrail 2 was being explicitly planned support growth.

Reducing inequality was a big issue for the Mayor. The new Mayoral Transport Strategy focused on putting people before cars. The strategy promoted local traffic management with workplace car sharing; satellite

congestion charge schemes and distance and time based charging for congested routes.

There was a need to increase rail frequency in South London – a London suburban metro was an option. Suburban BR services should be devolved to TfL. The Mayor's Transport strategy focus on Good Growth, which was also a key theme for the London Plan review. Crossrail 2 would be a key enabler of housing growth in London and beyond.

## **Discussion**

David Farnsworth argued that London's growth should be constrained. He also queried why residents in areas like Bristol, where he lived, should fund London's growth. John Lett pointed out overall London was the biggest single regional net contributor to the national exchequer but it did receive a disproportionate share of transport investment within this. Martin Tedder pointed out that London was more public transport based than other major UK cities.

Suzy Nelson pointed to the need to focus on orbital transport. Michael Edwards suggested planning development should take note of more localised transport demand and should reduce the need to travel. He also raised the issue of the impact of freight. Martin Tedder commented that the economic case for suburban and orbital transport provision was relatively weak in traditional CBA terms.

Nick Falk pointed to the opportunities for transport supported growth in West London and also to learning from European experience. Ian Gordon queried why it had taken Mayors and TfL to review the case for road charging. Duncan Bowie raised concerns at the negative impact of public transport investment on housing affordability, especially given lower income households could not afford increased housing costs and transport fares. Martin Tedder responded that it was difficult to get a balance between competing policy objectives.

Judith Ryser raised the issue of policy on airport expansion. Martin Tedder recognised the need for a decision on airport capacity but this was not within Mayoral control. The Mayor preferred expansion at Gatwick to expansion at Heathrow.

John Lett referred to the fact that the Outer London Commission had considered alternative growth options. Suburban intensification with transport support could be one of the themes in the London Plan review. The GLA had been supportive of an approach based on growth corridors.

Tim Marshall stressed the importance of strengthening regulation of transport and utilities, noting that this had been raised in the Labour Party's General Election manifesto. It was clear that a market led model was inadequate. Madalina Ursu commented that the GLA were investigating regulation and investment in relation to electricity supply and were also dipping their toes into the issue of water supply and regulation. There should be more incentive to

innovate e.g. in leakage control.

### **Third session: Demography, the Economy and Social Equity**

**John Lett** (session chair) referred to some of the challenges for the London City Region given the high projected growth. The issue of more equitable access to public transport applied to the wider South East not just to London. George Osborne's productivity plan had made the GLA more aware of the need to consider how to make London a more productive economy. It was useful to review progress made in the 1960's when constructing social housing in outer as well as Inner London had been central to growth.

#### **Prof Ian Gordon (LSE) gave a presentation on Thinking strategically and collaboratively about London's position in relation to the demography of an integrated South East.**

London was facing unprecedented population growth, but output per person was flatlining. Jules Pipe (deputy Mayor) recognised that it was no longer appropriate to treat London as an island. We needed a knowledge base on key trends across the region similar to that which had existed in the days of SERPLAN. It was understood that new population forecasts were to be published by the GLA demography team in the near future. These were expected to project a lower growth rate. However as real incomes had risen, there had been a demand for more space per household – however this was not the case for households who had limited resources and were unable to access the housing market. Migration to central London was mainly international. There had been a de-concentration of lower income households. This de-concentration had been generated by changes in the housing market – households were moving away from central London but without changing jobs, therefore increasing commuting demand. New migrants to London were living at higher densities. This was not sustainable in the long term.

#### **Prof Michael Edwards (UCL) gave a presentation on Towards a more equitable city region?**

Michael referred to the economic evidence base for the London Plan – a very useful document which included a new focus on inequality and deprivation. He also referred to the work of the Resolution Foundation on income inequality and the impact of housing costs in London. The current position was not sustainable – London was sucking in labour from the rest of the UK; longer commuting; social housing no longer enabled a diverse employment capacity as supply was being reduced while housing costs increased and security of tenants reduced. A set of non-spatial fixes were required: tax policies; changes to estate regeneration programmes and regulation of the private rented sector. As well as increasing housing supply, housing demand needed to be managed. There were negative impacts of economic agglomeration and housing densification both in terms of housing affordability and air quality. We needed more research to assess these impacts. We needed also both to revise our definitions of growth and manage growth. GVA growth was not just about the financial services sector. We needed increased

income levels for lower and middle income workforce if economic growth was to be sustainable.

## **Discussion**

Andrew Carter raised the issue of the impact of real estate development on inequality. London was faced with strong demand and relatively inelastic supply. Nicky Gavron stressed the importance of managing demand and dealing with the problem of low pay, referring to the work of CLES in Manchester.

## **Fourth Session: A Development Strategy for London and the Wider South East**

**Duncan Bowie** (session chair) referred back to the debates over the positive and negative aspects of planning based on a compact city objective – including his 2010 book, *Politics, planning and homes in a world city*, the TCPA contribution to previous London Plan reviews, his article *Beyond the Compact City* in *Planning in London* and the series of articles published in *Town and Country Planning* in August 2016. There was a need for a systematic review of alternative development options in relation to social, economic and environmental criteria. He referred to a recent paper he had written summarising the benefits and dis-benefits of 18 different options, which was on the Common Futures Network website. The debate was too dominated by the single issue of Green Belt protection or development. Given the numbers, a range of options needed to be pursued in parallel. The GLA's 2050 draft infrastructure plan and the TfL supporting paper had opened up the debate, which needed to be developed in the London Plan review. If we were to build more lower-rise homes, we needed more land, and it was doubtful where this capacity was available within the London boundary. QUOD and AECOM had both made useful contributions to this debate.

## **Jorn Peters** (GLA) gave a presentation on the **London Plan Review**

A new London Strategic Housing Market Assessment (SHMA) and Strategic Housing Land Availability Study (SHLAA) were underway and would be published together with a new draft London Plan for consultation in November 2017. London's annual housing requirement was likely to be 60,000+ and capacity 50,000+. There was a need to balance the requirements of land for housing and the requirement for land for employment growth. The Government's anticipated guidance on objectively assessed housing need could push up London's housing requirements further. The new GLA demographic projections to be published on 11 July had regard to the ONS model and could be rolled out to other regions in the Greater South East and hopefully overcoming previous methodological differences. They were based on 10 year historical trends, rather than the 5 year trends previously used by Government.

Engagement with authorities in the wider South East had continued. An officer meeting had been held on 19<sup>th</sup> June. The draft plan would be submitted to a

Wider South East summit on 24 November. The GLA had agreed with the East of England and South East groupings a list of 13 infrastructure project priorities. These focused on strategic corridors. The GLA was also proactive in discussions with district councils and groups of district councils who were willing partners for growth. The Mayor would also be documenting discussions and agreements with local authorities for reference in the forthcoming London Plan Examination in Public. He commented that the process of discussion would be as important as the specific wording of policies in the draft London Plan.

**Barney Stringer (QUOD) gave a presentation on a Development Strategy for London and the Wider South East.**

Barney referred to the report *Brownfield is not Enough* published jointly by QUOD and SHELTER. He stressed the inadequacy of the current governance arrangements in relation to planning for the London city region. The coalition of the willing relied on bilateral agreements on investment. This however was not the best approach to strategic planning. London's population was now growing at a rate of 100,000 a year – there was no historical precedent either for London or for any other UK city. Central London was expanding into inner London, while Outer London was becoming the new Inner London. Suburban development extended way beyond London's administrative boundary. New transport links were changing the UK's economic geography as the London labour market extended to Birmingham and the Midlands.

He pointed out the balance of power in terms of control over land between London and the Home Counties districts. The Home Counties with low densities had control over much more land than the London boroughs. He pointed to the contrast with Tokyo, which had a national capital region plan. The Mayor needed to be more explicit about the need for more powers in relation to the wider region.

**Andrew Jones (AECOM) gave a presentation on Connecting Futures: London's City Region. Where could we be in 2065?**

Andrew referred to the London City Region long-term growth manifesto published by AECOM the previous year. This set out the framework for a London City Region strategic plan. This comprised 10 components: 1) Re-imagine London's City Centres; 2) Live closer in the suburbs; 3) Enable the world's top knowledge circuit; 4) Build a bold new town programme; 5) Modernise the Green Belt; 6) Link up the region; 7) Unlock national potential; 8) Connect to the world; 9) Celebrate Infrastructure; and 10) Think Big. He concluded by arguing for much more formal governance structures for city regional planning.

**Concluding Discussion**

There was a brief discussion on the case for governance structures and the alternatives of incentivising coalitions of the willing and establishing statutory



arrangements. It was recognised that extending the Mayor's territorial remit was problematic even if logical from a planning perspective. Andrew Carter set the debate in the context of the wider devolution/ City Region Mayors/ combined authorities/ city deals context.

Vincent Goodstadt referred to a proposal to draft jointly with Centre for Cities a proposition on the approach to governance and planning in the London City Region. Duncan Bowie referred to a proposal to follow up the seminar by re-establishing a wider working group (as a successor to the former TCPA London and South East task group) which could prepare responses to the forthcoming consultative draft for the new London Plan and other planning documents from the wider South East. All chairs and speakers would be involved in this group. Other attendees who wished to be involved in this network were invited to contact him. He thanked all the contributors to the seminar – speakers and other attendees.

Note by Duncan Bowie  
July 2017