

**JOINT GOVERNMENT / RDA / CORE CITIES WORKING GROUP ON THE ROLE OF CITIES IN CREATING PROSPEROUS REGIONS**

**'PLANNING MECHANISMS' – SECOND DRAFT**

**Paper prepared by Leeds City Council**

**PURPOSE**

1. This is the second draft of a paper which aims to meet the requirement in the Working Group's Plan of Action to explore how existing and proposed planning mechanisms could be used more effectively to support the Core Cities as drivers of urban renaissance and the economic competitiveness of their regions.
2. The paper is organised in four sections. Section 1 provides a summary of the developing policy framework. Section 2 assesses the role of planning mechanisms in facilitating an urban renaissance and in creating the conditions for economic competitiveness. Section 3 outlines the implications of this analysis for developing planning policy and mechanisms. Finally, Section 4 provides a summary of the issues and highlights the actions the Working Group needs to address.
3. In preparing this paper, a series of meetings have been held with ODPM Officials. The report also draws on published material and data, in particular the developing proposals for the reform of the planning system and the 2002 Spending Review. The authors are very grateful to all those who have given their time to be involved.

**SECTION 1: THE DEVELOPING POLICY FRAMEWORK**

4. The developing policy framework related to this topic is provided principally by the Planning and Compulsory Purchase Bill (following the Planning Green Paper and daughter papers, and subsequent Government publications following consultation on the Green Paper).
5. The Planning Green Paper: Delivering a Fundamental Change, was published on 12 December 2001 and claimed to be the most fundamental review of the planning system in over 50 years (since the modern era of planning began with the Town and Country Planning Act of 1947). It has four associated daughter papers covering Compulsory Purchase Orders and Compensation (published on 12 December 2001); New Parliamentary Procedures for Processing Major Infrastructure Projects (published on 17 December 2001); Planning Obligations (published on 19 December 2001) and Consultation on possible changes to the Use Classes Order and Temporary Uses Provision (published 24 January 2002). The proposals contained in the Green Paper aimed to promote a simpler, faster and more accessible system to deliver a number of key planning objectives.

6. The findings of the Transport, Local Government and Regions Select Committee inquiry into the Planning Green Paper (Thirteenth Report of Session 2001-02) were published on 3 July 2002. The Government's full response to the report was published on 6 November 2002.
7. On 18 July 2002, the Government published three documents: a response to consultation on the Planning Green Paper titled 'Sustainable Communities – Delivering Through Planning', together with supporting papers on 'Compulsory Purchase Powers, Procedures and Compensation' and 'Making the System Work Better – Planning at Regional and Local Levels'.
8. A Planning Bill was announced in the Queen's Speech on 13 November 2002. The Planning and Compulsory Purchase Bill was introduced in Parliament on 4 December 2002, received its Second Reading on 17 December 2002 and was programmed to complete its committee stage by 28 January 2003. The new planning system could be operational by 2004.
9. Key measures contained within the Bill are: the introduction of Regional Spatial Strategies (RSS) prepared by Regional Planning Bodies; measures to abolish County Structure Plans, Local Plans and Unitary Development Plans, replacing them with a single tier of Local Development Frameworks; proposals for speeding up the development control process; the Secretary of State will be given powers to speed up the consideration of major infrastructure projects; provisions for Simplified Planning Zones where the need for such areas has been identified in RSS, and revised Compulsory Purchase powers. The principal omission from the Bill is the proposal included in the Planning Green Paper for the reform of the Planning Obligations system.

## **SECTION 2: THE ROLE OF PLANNING MECHANISMS IN CREATING THE CONDITIONS FOR COMPETITIVENESS AND IN FACILITATING AN URBAN RENAISSANCE**

10. Research suggests that amongst factors affecting the competitiveness of a city for new investments and resources, within the global urban system of Europe, are:
  - i) the ability to develop integrated spatial planning strategies which provide for the future;
  - ii) the provision of suitable sites for employment, transport and housing;
  - iii) the quality of the urban environment, and the overall quality of life.

### **The ability to develop spatial planning strategies which provide for the future**

11. In the most general terms, spatial planning strategies help manage the future location of human activities to best contribute to meeting economic, social and environmental aims. They provide a powerful vehicle (provided mechanisms are pragmatic and implementation can be achieved in practice) for elaborating and achieving wider strategies and policies by setting them within a spatial context. More specifically, the objective of urban planning is to provide for a spatial structure of activities (or land uses) which in some way is better than the existing pattern without planning. Well

planned towns and cities create a favourable climate for investment and can therefore be more prosperous. Stretching this concept, the same could equally be argued for well planned regions (and countries !).

12. Spatial planning strategies reconcile the conflicts between the need for new development to provide for economic growth and the need to protect the built and natural environment. They promote economic development by allocating sites for new employment and ensure that housing / employment mismatches do not occur which might undermine competitiveness. They encourage sustainable development by focusing on mixed use schemes, ensuring that new development is channelled towards existing town and city centres, and restricting development on greenfield sites.
13. Up to date spatial strategies can provide the public, developers and the business community with a measure of certainty and clarity, provided they are flexible and robust enough to cope with changing circumstances. They provide direction to guide appropriate development to the right place and a firm basis for rational and consistent decisions. Spatial strategies provide the backbone for development and its control since there is a presumption in favour of the plan.

### **The provision of suitable sites for employment, transport and housing**

14. The ability to assemble land is a crucial factor for the economic competitiveness and urban renaissance of our towns and cities. Local authorities and Regional Development Agencies need to be able to facilitate land assembly at suitable locations, if we are to provide a transport and communication network fit for the 21st century, maximise the use of brownfield sites and create more sustainable land-use patterns in our urban centres.
15. The provision of developable and accessible sites is vital for economic activity (for strategic inward investment, the growth of indigenous businesses and to underpin cluster development) to deliver regional and city economic strategies. For example, the best university research facilities will fail to attract global businesses if no sites of suitable quality are available in the area. The provision of sites must respond to a full understanding of what drives investment decisions. An effective transport and infrastructure system can provide a means of unlocking development sites, thereby encouraging investment, employment opportunities and increasing land values. Additionally well located and high quality residential areas, both within the outlying parts of their city-regions and within the Core City itself, are required to attract and retain a skilled workforce.
16. The complicated ownership of major sites means that cities can be in the impossible position of needing to attract investors but not having sites that can be quickly progressed. The enhanced compulsory purchase powers should provide a powerful tool for assembling the key sites required for major economic projects and housing development, including the necessary infrastructure. However, the powers need to be used proactively and effectively if regeneration opportunities are not to be prevented or missed (at worst), or delayed (at best). A strategic approach needs to be adopted to enable the assembly of major sites to attract investors. This requires close linkages between RSS and RES, the former determining the policy and the latter the

implementation mechanism. Linked to this, fiscal measures are required to assemble land and bring previously developed / derelict land and empty property back into economic or social use, so that they contribute to, rather than detract from the urban fabric.

### **The quality of the urban environment and overall quality of life**

17. Planning decisions also influence competitiveness and urban renaissance through their cumulative contribution to the quality of the urban environment. A high quality physical infrastructure, of various sorts has now become a pre-requisite to attracting external investors, visitors and new residents. It provides a favourable context for business activity and is attractive to skilled, managerial and professional labour.
18. This reasoning is supported by academic research. A collection of papers published by Oxford Brookes University in 1999 under the heading 'Innovative Clusters and Competitive Cities in the UK and Europe', highlighted amongst others, one of the defining factors of successful locations for strategic investors as "...the environment / facilities that highly paid decision takers will choose to live and work in ...". The CABA publication 'The Value of Good Design' draws together a range of research from the UK and abroad to show that investment in good design generates economic and social value.
19. While for centuries the quality of the urban environment had been an outcome of economic growth, in recent times the quality of urban space has become a requirement for the economic development of cities. Urban design, the development of prestigious and symbolic urban landscapes and the provision of attractive public space have undertaken an enhanced new role as a means of creating the conditions for economic competitiveness. The appearance of cities and neighbourhoods is now perceived as a symbol of their wealth, quality of life and the confidence of their citizens and enterprises.
20. The contribution of the urban environment to economic competitiveness is particularly pronounced in city centres, which have become crucially important to a city's and region's competitiveness. Visitors and investors identify more readily with cities than with regions, and it is often the city centre that they identify with most, being the most visible element. Consequently, it is the quality of the city centre that has most influence upon external perceptions of the city-region and region. The very visible nature of new developments in the city centre shows a commitment to change and improvement and acts as a declaration of intent and a vote of confidence which in turn attracts new developers. City centres of competitive cities have become characterised by a high level of pedestrianisation, the creation and enhancement of open spaces, the opening up of river and canal sides and the promotion of innovative or avant-garde architecture.
21. Architectural and urban design competitions for key sites to foster cutting edge and novel designs have a key role to play in improving the urban environment and reinforcing the spatial identity of the city. This needs to be coupled with raising design expectations across the city-region generally, and securing contributions from Planning Obligations to improve the public realm and spread development wealth to targeted

regeneration areas.

22. The quality of the urban environment is inextricably linked with the overall quality of life. Targeting improvements in the appearance and safety of the public realm in deprived neighbourhoods can reduce the feeling of decay and neglect and act as a means of restoring community confidence.

### **SECTION 3: THE IMPLICATIONS FOR PLANNING POLICY AND MECHANISMS**

#### **The ability to develop spatial planning strategies which provide for the future**

##### National level spatial planning

23. It is now recognised that our economic performance is uneven across the country, with marked and widening disparities between and within UK regions. The fact that this gap has widened (within the context of existing Government policy) over a period of sustained economic growth during which the south east has shown signs of overheating suggests that the market itself will not rebalance this disparity.
24. The economic growth of the south east has been accompanied by an increase in population. London's rapid population growth contrasts strongly against the English regions. GLA estimates project the population in London to grow by 700,000 from 7.4 million in 2002 to 8.1 million in 2016 (a growth the size of the population of Leeds). Additionally the imbalance in development between the south and the northern regions has resulted in acute housing shortage and transport congestion in the south east, whilst there are areas of abandonment and market failure in the North and Midlands.
25. An earlier paper considered by the Working Group on 'Creating the conditions for attracting more strategic investors to the UK' noted that signals from investors are now suggesting that overcrowding and greater competition for resources are beginning to work against the locational advantages of investing in London and the south east. If investors' concerns about these adverse factors continue to grow it is arguable that the principal beneficiaries are more likely to be the other global cities rather than the other UK regions. Coupled with the under performance of our regions, by European standards, any reduction in London's global standing would inevitably be bad news for the UK economy as a whole.
26. The Core Cities therefore believe that there is a need for a national spatial framework for England (developed within the context of PSA 2) which builds on and enhances the role that the Core Cities and their city-regions play in improving the competitiveness of their regions and which supports the growth of the UK economy. This could be undertaken in the context of the need for sustainable growth, centred on the cities of the UK in line with national government guidance and the urban renaissance agenda. Such an approach to future development may also serve to relieve pressure on the capital city so that its unique flagship role can be exploited, enabling London and the south east to attract more truly global economic drivers to the UK.

Public Service Agreement 2:

“Make sustainable improvements in the economic performance of all English regions and over the long term reduce the persistent gap in growth rates between the regions, defining measures to improve performance and reporting progress against these measures by 2006”. Joint target between the ODPM, the DTI and HM Treasury.

27. A national spatial framework would enable identification of appropriate spatial planning for future national development needs, particularly in terms of transport infrastructure, energy installations (including the operational plans of relevant infrastructure providers and public services), mineral extraction, communications, economic development and regeneration and housing needs. A national spatial framework could provide a long term, coherent spatial strategy for economic competitiveness and community well-being, and the context for the development of regional and local strategies and their implementation.
28. The current absence of a national spatial framework does not sit comfortably with the Government’s desire for ‘joined up thinking’. The Urban White Paper states that policies and strategies at all levels must be joined up and encompass sustainable development of the urban environment, economic performance and social inclusion. The proposals for Regional Spatial Strategies should enable better integration between Regional Economic Strategies, Regional Transport Strategies and Regional Housing Statements, thereby joining policy at the regional level. At a local level, Local Development Documents will be informed by, and assist in delivering the policies of Community Strategies. A national spatial framework could provide the ‘joining up’ at a national level and address broader inter-regional issues, by integrating and giving spatial expression to Government’s policies and programmes, and by providing a framework for new policy formulation. Furthermore, the integration of policy at the national level could greatly assist the process of joining policy at the regional level and local levels.
29. ‘Sustainable Communities – Delivering Through Planning’ refers to the Government’s intention to issue clear statements of national policy in relation to national infrastructure provision. Whilst these are a step in the right direction, they fall short of a more comprehensive and integrated approach. Current policies on airports, ports, rail freight and road infrastructure are being developed incrementally. We need to integrate these policy areas together with major infrastructure proposals. Major infrastructure development could then be considered within the context of the national spatial framework. The Planning Green Paper highlights the problems over the planning application for the fifth terminal at Heathrow. It would be easier to assess such an application, for example, if there were a national airport development policy that was part of a broader national spatial framework, which links expansion of the airport with investment in associated road and rail infrastructure.
30. A national spatial framework could also assist in testing and explaining the spatial dimension of the various policies and programmes of Government in a way which recognises the differential impact of policies on different regions and areas of England. The Draft London Plan identifies different scenarios to test the robustness of the Plan. These include: alternative future circumstances of economic demand and demographic growth; different levels of infrastructure and supply side provision and different spatial

patterns of delivery of the Plan. Such scenario testing could take place within a national spatial framework to test the implications of different policies on the regions' capacity for growth and the implications for UK competitiveness as a whole.

31. The Irish National Spatial Strategy was published in December 2002, and represents the outcome of a process designed to deliver more balanced social, economic and physical development between the regions. The Strategy identifies indicative development patterns for different areas and sets down broad policies for the location of different types of investment, as well as providing a framework for broader policy formulation (such as enterprise development and tourism for example). It is anticipated that a draft Wales Spatial Plan will be published in early 2003. Its purposes will be to support and influence the spatial expression of the policies and programmes of the National Assembly; provide a spatial context for major decisions and for the allocation of resources by the Assembly and others; address national issues of development and restraint on the broad scale and to provide a strategic context for local authority plan-making and decisions. The Scottish Executive have now committed to preparing a National Planning Framework for Scotland. The aim here is to identify a limited number of subjects at the national level where the Scottish Ministers believe the planning system has an important role in delivering sustainable solutions. The document might also identify locations, where in the national interest, a co-ordinated approach to planning was required.
32. In the Netherlands, the national spatial planning policy document also acts as a means of co-ordinating different policies. It serves to direct government actions and the pattern of state investment, and in practice, significantly influences the actions of other public bodies. Many other states, particularly within Europe, have developed their spatial planning systems at a strategic level to address the needs of sustainable development and, as in France, to provide the basis for more effective prioritisation of strategic infrastructure investment.
33. In informing the development of the draft Wales Spatial Plan, the Welsh Assembly commissioned research on 'Comparative Spatial Planning Methodologies' (Ecotec Research and Consulting and Cardiff University, February 2001). The purpose of the research was to identify a range of options for the preparation of a national spatial framework, to advise on the range of issues to be addressed by the framework and to highlight a preferred option most likely to meet the dual criteria of best practice and suitability to the Welsh context. The research included analysis of six case studies of spatial planning methodologies drawing on examples from the UK and Europe.
34. It is acknowledged that there is currently very little appetite for a national spatial framework within Government and that the development of such a framework would be no easy task. However, there does exist a number of different approaches to national level spatial planning; a broad spectrum from the informal linking of policy through to a formal 'National Spatial Strategy'. A note which briefly examines the spectrum of approaches to national spatial planning is attached at Annex A. However, the main objective is that we should be somewhere on the spectrum, with a mechanism that in the first instance provides the informal 'joining up' of policies at the national level (within the context of PSA 2), and which allows the spatial dimension of the various policies and programmes of Government to be tested and explained.

Building on the work already in progress to deliver PSA 2, consideration should be given to how far the relationships between the six to ten measures identified as having the greatest potential to contribute to regional economic performance could be packaged to effect integration, thereby achieving an impact greater than the sum of the individual parts. This can be taken a stage further by reviewing those policies which are believed to have an implicit regional dimension to understand more about the cumulative impact of a broad range of government policy and expenditure on the regions.

The Working Group may also wish to pursue further some form of national spatial planning framework as outlined in Annex A.

### The 'Communities Plan'

35. The Government published the 'Communities Plan' on 5 February 2003. The Government's intention to publish the Communities Plan was signalled in the 2002 Spending Review which states, "the ODPM will shortly set out a comprehensive strategy for addressing housing market imbalances across the country, bringing together land-use planning measures and new investment to tackle problems faced by areas of both high demand and low demand... Substantial new investment in housing will be accompanied by fundamental reforms to housing institutions, in particular through the establishment of new regional mechanisms to bring together all decisions on planning and housing investment and make the right connections with transport and regional economic growth" (HM Treasury).
36. The Communities Plan is presented as a strategy and action plan rather than a green or white paper, and based on the concept of developing sustainable communities. Key elements of the strategy are land assembly; speeding up planning applications; simplifying planning obligations; planning for major development areas such as the Thames Gateway; and a stronger focus for housing resources.
37. The 'Communities Plan' has been developed within the context of PSA 5 and PSA 6:  
  
PSA 5:  
"Achieve a better balance between housing availability and the demand for housing in all English regions while protecting valuable countryside around our towns, cities and in the greenbelt – and the sustainability of existing towns and cities – through specific measures to be set out in the Service Delivery Agreement".  
  
PSA 6:  
"All local planning authorities to complete local development frameworks by 2006 and to perform at or above best value targets for development control by 2006 with interim milestones to be agreed in the Service Delivery Agreement. The Department to deal with called in cases and recovered appeals in accordance with statutory targets".
38. Measures to deliver PSA 5 include accelerating existing proposals for significant growth in four areas identified in Regional Planning Guidance – the Thames Gateway; Ashford; the Milton Keynes area and the London-Stansted-Cambridge area. Overall it

is estimated that an additional 200,000 new homes (over and above the 950,000 already identified in RPG) could be created in these growth areas. In addition, nine Pathfinder projects have already been launched to tackle the most acute problems of low demand and abandonment in the North and the Midlands (Merseyside; Manchester and Salford; Oldham and Rochdale; East Lancashire; South Yorkshire; Hull and the East Riding; North Staffordshire; Birmingham and Sandwell; Newcastle and Gateshead). A new housing gap-funding scheme will be introduced that will allow support for housing programmes where market price is less than the cost of development.

39. The Communities Plan may achieve little in isolation if the provision of new housing stock or improvements to the physical condition of housing is not joined up to economic regeneration and the competitiveness of the region as a whole. Therefore, the housing growth areas and Pathfinder projects (which have been allocated on a sub-regional basis) need to be set into a wider sub-regional spatial strategy and into Regional Spatial Strategies to supplement the fine grain communities analysis with the wider sub-regional and regional perspective. Setting aside the obvious issue of timing, the Communities Plan could also have usefully been developed within the context of a framework of integrated national policy, which could seek to link housing investment to other policy interventions (such transport and other infrastructure) at the national level.
40. A further issue arising from the Communities Plan is the question of whether the considerable supply of new homes in the south east will reinforce the imbalance in development between the south and the other regions (particularly in terms of population growth), thereby making the delivery of PSA 2 all the more difficult to achieve.

The Core Cities would welcome the opportunity to work with Government in delivering the Communities Plan.
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#### Regional level spatial planning

41. The proposed Regional Spatial Strategies will provide an essential level of spatial planning that enables greater integration between local planning and national objectives. Regional Spatial Strategies will also provide a means of 'joining up' policy at the regional level, by informing as well as taking account of the objectives of the Regional Economic Strategy, the Regional Transport Plan, the Regional Housing Statement / Strategy and the investment and operational plans of relevant infrastructure and public service providers.
42. Planning on a regional basis has not previously been strongly undertaken in the UK; indeed it has often not existed at all and could, therefore, not have been expected to address regional inequalities. When it has done that, for example, during the 1990s, it has been too much on a voluntary basis with individual local authorities tending to miss the big picture. As the Green Paper points out, there "has been a tendency to avoid making the hard strategic choices, such as accommodating demand for new housing or the location of areas for key employment growth. Instead a lowest common denominator approach has been taken, which in the long term can damage development across the region".

43. The challenge will be how we can work together to make the hard choices and to secure effective integration of the various regional strategies. This will require the development of a shared vision and agenda between the Regional Planning Body / Regional Chamber, the RDA, Regional Government Offices and local authorities. This can perhaps most effectively be done in regions that decide in a referendum to establish an elected Regional Assembly. However, the integration of policy at the national level could greatly assist the process of joining policy at the regional level.
44. Ensuring that Regional Spatial Strategies are informed by clear analysis of the interdependencies, locational advantages and roles of different parts of the region together with consideration of the inter-regional issues, will also assist in achieving joined up approaches. Regional Spatial Strategies should distinguish the principal cities, other urban areas and rural hinterland, and land allocation and other policies should enhance and develop the role each plays in building the competitive region. In particular, principal cities should be seen as a focus for economic activity, and strategy should therefore aim to both sustain this competitive strength and to link it to other parts of the region with the aim of spreading benefits.
45. However, there is a danger that Regional Spatial Strategies may be squeezed between the requirements of the Government and the expectations of localities. What is needed is an acceptance that national policy should confine itself to national issues and the creation of a framework within which regions have the flexibility to deal with regional issues. The commitment from Government to allow Regional Planning Bodies / Regional Chambers greater freedom for Regional Spatial Strategies to be shaped to truly reflect regional diversity and regional needs, in a way that adds value to national policy, is welcomed.

<p>The Core Cities would welcome the opportunity to work with Government to develop guidance (review of Planning Policy Guidance Note 11 – Regional Planning) for the preparation of Regional Spatial Strategies based on clear analysis of the role of principal cities and city-regions.</p>
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#### City-region level spatial planning

46. 'Making the System Work Better – Planning and Regional and Local Levels' published by the ODPM on 18 July allows for sub-regional strategies which cut across two or more regions, such as the one for the Thames Gateway (which involves parts of three regions). The support from Government for planning at a sub-regional level that makes sense rather than related to historic boundaries, is welcomed. In the Core Cities case this means forward planning at the city-region level.
47. Our inherited administrative boundaries are rarely relevant to the real geographical areas that require strategic planning. Social and economic processes do not follow local government boundaries, and the competitive city cannot therefore be built within the Core City's boundaries alone. A city-region is the 'functional city' and is defined by the boundaries of the local labour and housing markets, retail catchments, strategic transport connections, and leisure and cultural markets. It is generally much larger than the 'official' city (but rarely equates to the former metropolitan county boundary).

48. As part of their competitiveness strategies, many continental European cities are taking the lead in strengthening planning and collaboration within their city-regions. Sometimes this is given formal support from National Government, as with the French Communautés Urbaines initiative. Elsewhere, the role of National Government is one of hands off encouragement, and the initiative is taken at local level – for example the Metropolitan Bilbao project. Often, this city-region collaboration is transnational, such as the collaboration between Copenhagen and Malmo in the Oresund region, and the joint work between Lille and the municipalities in the border areas of Belgium. The research project commissioned by the ODPM (and being undertaken by Professor Michael Parkinson, Liverpool John Moores University) to identify the lessons to be learned from European non-capital cities as divers of the urban renaissance and economic competitiveness of their regions, may provide further information in this respect .
49. In contrast, thinking about the city-region remains relatively undeveloped in the UK, although a number of different models of sub-regional planning are beginning to emerge. They have often taken the form of a study commissioned by a number of stakeholders, for example the South Yorkshire Spatial Study commissioned by Yorkshire Forward / South Yorkshire Forum and the four local authorities. In Cambridge and the Thames Gateway sub-regional planning has involved the development of a strategy document. Other areas are working across regional boundaries to jointly bring forward revisions to their RPGs, as in the case of the Milton Keynes housing growth area, where three Regional Planning Bodies are taking forward revisions to their RPG in one public examination, the outcome of which will then be fragmented into the three RPGs.
50. The key point is that if sub-regional analysis has benefited the Thames Gateway and the Greater Cambridge Sub-Region, it could be equally, if not more applicable to managing the forward planning of city-regions. The city-region acts as the foundation for analysing the dynamics of a city and its surrounding environment, and provides the functionally coherent unit for developing forward planning strategies. Furthermore, given that it is defined by the boundaries of local markets, the city-region provides the basis for spreading the benefits of the Core Cities’ prosperity and assets to the wider city-region.

*Illustrative example:*

*As part of the selective review of the RPG and the Regional Transport Strategy, the Yorkshire and Humber Regional Assembly has commissioned a ‘Leeds and Environs Spatial Study’ to address the spatial implications arising from the relative buoyancy of the Leeds economy. The initial study will inform the development of a sub-regional strategy for Leeds and its environs, which will promote sustainable development in a way that spreads the benefits to the socially excluded living in Leeds and to the wider city-region.*

*Drawing on the work of CURDS (University of Newcastle Upon Tyne) the spatial context for the study is the city-region of Leeds made up of 9 districts, with a population of approximately 2.3 million. It includes the City of Leeds itself, the districts*

*of Bradford, Calderdale, Kirklees and Wakefield (in West Yorkshire), Harrogate, Selby and York (in North Yorkshire) and Barnsley (in South Yorkshire).*

*The study will incorporate:*

- An analysis of Leeds' growth and development over the last 10/15 years. The analysis will include the mapping of the functional sub-regional markets to which the Leeds economy relates, including the labour market and related commuting patterns, the pattern of home moves linked to the Leeds labour market and the economic linkages between businesses in Leeds and the surrounding area.*
- An assessment of the spatial implications of the continued economic success of Leeds and how this can realistically benefit other areas within the region, taking account of the different existing and potential roles and functions of parts of North, West and South Yorkshire.*
- An assessment of the practical mechanisms available to the public sector to influence development processes that would contribute towards the study aims of spreading benefits (including planning policies; housing policy; employment land provision; transport connections and the provision of financial and other support interventions).*

51. The Core Cities believe that city-region collaborative initiatives can be developed within the evolving regional arrangements, and the Group certainly does not propose that the issue should be addressed through local authority boundary reviews within city-regions. The preparation of city-regional spatial strategies could be successfully achieved by the Regional Planning Bodies and the local authorities in the area concerned working in partnership. However, a principal issue to be addressed will be how individual local authorities can be encouraged to combine in the process (to achieve a sum greater than the individual parts) whilst potentially relinquishing some of their autonomy in planning their own local area.
52. A key factor in assisting this process will be clearly and convincingly articulating the benefits (and drawbacks) of city-region planning to secure 'buy in' not just from the local authorities concerned, but also from planning, housing and transportation colleagues within Central Government, Regional Planning Bodies, the RDAs etc. This will require further research to (a) to determine what examples already exist of the effective identification and planning of city-regions elsewhere, (b) to define the issues that could be tackled by city-region planning, and (c) to examine how authorities have combined together formally or informally to collaborate on the development of a city-regional spatial plan. Such a research project may also assist in informing the review of Planning Policy Guidance Note 11 – Regional Planning (PPG 11, 2000).
53. A draft specification for a research project to identify best practice in city-region planning is attached at Annex B.
54. Another factor will be how Government can actively support, encourage and even incentivise the preparation of city-region spatial strategies. The ODPM has been active in encouraging sub-regional planning in the housing growth areas around Milton

Keynes and the Greater Cambridge Sub-Region and in the housing Pathfinder areas, where the initiative has been supported with resources. The Core Cities would welcome Government support in facilitating greater collaborative work at the city-regional level – voluntary at first but in the longer term perhaps with more formal structures and mechanisms negotiated between the local authorities within the city-region, Government and regional institutions.

The Working Group is requested to commission a research project to improve understanding of strategic planning at the city-region level and to: (a) to determine what examples already exist of the effective identification and planning of city-regions elsewhere, (b) to define the issues that could be tackled by city-region planning, and (c) to examine how authorities have combined together formally or informally to collaborate on the development of a city-regional spatial plan.

The Core Cities would welcome Government support in facilitating greater collaborative work at the city-regional level – voluntary at first but in the longer term perhaps with more formal structures and mechanisms negotiated between the local authorities within the city-region, Government and regional institutions.

## **The provision of suitable sites for employment, transport and housing**

### Land assembly and compulsory purchase powers

55. The Government's proposals for the reform of the compulsory purchase and compensation system, aimed at making the assembly of land for major projects, simpler, fairer and quicker, are welcomed. These proposals aim to:
- i) provide powers which clearly allow authorities to purchase land compulsorily for the full range of planning and regeneration purposes (replacing sections 226(1)(a) and 226(2) of the Towns and Country Planning Act 1990 with a wider and more clearly defined power for a planning authority to acquire land "if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land"; to contribute towards the achievement of economic, social or environmental benefits within the area);
  - ii) speed up the process;
  - iii) provide for a more attractive compensation package.
56. Whilst the proposals will simplify compulsory purchase powers and promote greater speed, three significant barriers still need to be addressed to enable local authorities to implement the new system.
57. Firstly, we need to address the reluctance in the use of compulsory purchase powers. Since the late 1960s there has been a significant decline in the use of compulsory purchase powers by local authorities. This has partly been a result of the difficulties experienced due to the lack of flexibility within the current Acts to achieve wider regeneration benefits. Additionally, within a climate of increased partnership, compulsory purchase has often been viewed as an adversarial process to be followed

as a last resort. The new compensation arrangements will go some way to making compulsory purchase more palatable. Compulsory purchase may also be viewed more positively by the public and business sector if land assembly was identified as part of Local Development Frameworks and detailed Area Action Plans / masterplans which link the acquisition of the site to the wider regeneration and redevelopment picture. If communicated positively, compulsory purchase could stimulate confidence in the community and business sectors and encourage private investment by signalling a commitment to comprehensive regeneration. Furthermore the overall control of the land by the local authority will provide certainty to potential funders and developers with the assurance that the land will be available.

58. Secondly, the reluctance in the use of compulsory purchase has in turn been exacerbated by the dwindling skills base within local authorities for implementing the powers. The CPO manual and dissemination and training (organised through the Regional Government Offices) is welcomed, and will greatly assist in this respect.
59. The third and perhaps most critical issue is the lack of resources directly available to local authorities to pursue CPOs. The implications of the reform of the CPO system is likely to be an overall increase in the resource requirement, due to an increase in the levels of some settlements.
60. When large scale land assembly has been pursued, as for example in East Manchester, it has tended to be through the RDA's powers. This has been partly related to the wider reaching and more flexible powers held by the RDAs, but it also reflects the fact that the bulk of resources for such action comes from the RDAs.
61. Whilst it is not the remit of this paper to explore fiscal measures, it is important to state in the context of planning mechanisms, that local authorities still need access to capital funding to assemble land; reclaim derelict and contaminated sites; pump prime development; initiate improvements to the public realm and stimulate private sector confidence. Whilst resourcing land assembly may be assisted to an extent by the closer integration of Regional Spatial Strategies with Regional Economic Strategies (with the RSS identifying strategic locations for land assembly, for funding assistance via the RDA's Regional or Sub-Regional Action Plans), a revolving fund for land assembly and the recycling of derelict land remains crucial.

The Core Cities to identify priority locations for land assembly as part of Local Development Frameworks and detailed Area Action Plans / masterplans which link the acquisition of the site to the wider regeneration and redevelopment picture.

A revolving fund is required to facilitate land assembly and the recycling of derelict land.

#### Brownfield land redevelopment

62. The Core Cities recognise that the release of greenfield land outside of the urban areas that should be the focus of development is a real threat to achieving urban renaissance. However, despite the changes in land use policy, the development pressure is still overwhelmingly towards greenfield sites on the edges of cities. The

sequential test in PPG3 has greatly strengthened the position of local authorities in resisting housing development on greenfield sites, but the signals to developers need to be even stronger if they are to be persuaded to make a fundamental change in direction. It is understood that the proposed review of national planning policy statements will include a strengthening of the powers available to Local Authorities to resist inappropriate housing development on greenfield sites, and to extend this to other uses, particularly commercial development, where there are appropriate brownfield alternatives available. It is also important to stress here, the need for a consistency of approach between neighbouring local authorities, so that the allocation of greenfield sites within one local authority boundary does not prejudice the redevelopment of brownfield land within another.

63. In that connection, the role of urban capacity studies is potentially powerful, provided that they are given adequate support by Government and local authorities. A much tighter approach needs to be taken to urban capacity analysis and for the planning system to place much greater emphasis than there has been to date on the plan and a managed approach, and for development plans and planning inspectors to accept that a precautionary principle should be applied to all future considerations of development locations outside or on the edge of urban areas.
64. Addressing the complexities of brownfield land redevelopment (to ensure that brownfield land is actually available and not just allocated) will also provide some assistance in easing the pressure on greenfield sites. Many brownfield sites are severely derelict or contaminated, have inadequate service provision and inadequate access and 'hope values' that can far exceed market values. The market cannot address brownfield site redevelopment alone. Additionally, it is difficult to restrain greenfield sites sufficiently to push demand onto brownfield sites at a level that would raise values and reduce the subsidy requirements of such sites. Such effects in any case are likely to operate over the long term rather than the short term. The introduction of tax credits for the cost of cleaning up contaminated land will help, however, very substantial public sector pump priming will still be needed to secure the redevelopment of some sites.
65. Regeneration of vacant land and buildings has been particularly hit by the European Commission's state aid ruling on the Partnership Investment Programme, which removed gap funding opportunities. The Government are currently pursuing a twin track strategy to address the issues of state aid and regeneration. The first part of the strategy is to build up the number of permissions granted by the Commission for the RDAs, English Partnerships and others to use. Since the 1999 PIP decision, the Government have received approval from the Commission for six new schemes. Two of the schemes allow gap funding for land and property development in the Assisted Areas. The ODPM are awaiting approval from the Commission for schemes to tackle contaminated, derelict and economically damaged land, and a scheme to support the renewal, or bringing back into economic use of historic buildings. The second part of the strategy is a case for a new European regeneration framework based on the economic arguments of market failure, leading to state intervention to deliver social, economic and physical regeneration.

A greater recognition of the role of urban capacity studies is needed.
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The Core Cities welcome the Government's continuing work with the European Commission to explore the possibility of a new regeneration framework under which state aid would be permitted.

## **The quality of the urban environment and overall quality of life**

### Raising design horizons

66. Recent publications such as 'Improving Standards of Design in the Procurement of Public Buildings' (CABE/ OGC, October 2002) and 'Living Places – Cleaner, Safer, Greener' (ODPM, October 2002) will do much to improve the quality of our public space and the design of our buildings.
67. We also need to consider how we might raise design horizons generally on the scale of the city-region, core city and the neighbourhood. This may be achieved by incorporating design expectations as an element of city-region spatial strategies, together with the use of masterplans and area action plans within the context of Local Development Frameworks, to ensure new development is well planned and designed. Detailed design guidance focused on particular areas or neighbourhoods can usefully be issued as special / supplementary design guidance, for example the Leeds City Centre Design Strategy and the Manchester City Development Guide which has been successful in setting out the city's aspirations. Another example is the Urban Design Compendium for the centre of Sheffield which is being steered by the City Council, Sheffield One, English Heritage and CABE. This is aiming to create a design portfolio for the urban centre in order to improve urban design ambition from both the public and private sector and to provide clear guidance on the type of development that is expected in the 21<sup>st</sup> century in a modernising city.
68. Iconic buildings and open spaces, particularly in the city centre, provide landmarks, symbols and images, thereby reinforcing the spatial identity of the city and attracting top level economic activities. It is important to develop the ability to rapidly adapt to design trends that seem to reflect market needs, or to introduce design innovations to mastermind tastes and needs. In this respect, planning officers should be encouraged to demand the very best architecture in landmark locations. However, a key issue for some cities is that market levels currently attainable in terms of development values for key area functions such as offices etc. are insufficient to achieve the quality of design that is desirable. In this respect an initiative is needed to provide public sector funds in areas of low market values to pump prime improvements in quality, either through the provision of improved resources for the public realm or reducing abnormal costs.
69. The Core Cities also need to support efforts to improve the design of public buildings such as railway stations, schools, civic buildings and libraries and other publicly procured schemes. Architectural and urban design competitions for key sites to foster cutting edge and innovative design have a key role to play in improving the urban environment and reinforcing the spatial identity of the city. A key barrier for the private sector in pursuing such competitions can be attributed to the element of commercial risk, not just in areas with existing low property values but also related to amount of time and effort put into a competition without any certainty of being selected as the

preferred design. We need to consider how we might underwrite the risks of abortive work for those who are unsuccessful in the procurement process.

The Core Cities to promote urban design as a key consideration in regional and local spatial strategies.

An initiative is needed to provide public sector funds in areas of low market values to pump prime improvements in quality.

The Core Cities to support efforts to improve the design elements of publicly procured schemes, for example by underwriting competition efforts and the risks of abortive work.

### Planning obligations

70. Planning Obligations can play an important role in improving the quality of the environment and the overall quality of life. They can provide one of the sources of financing for essential infrastructure requirements to accommodate growth, increase the supply of affordable housing, provide and maintain public open space and ensure that the development makes a positive contribution to sustainability.
71. The ODPM is intending to publish a revised circular on planning obligations in 2003 (although the legislation will remain unchanged). Research is currently being undertaken to review the necessity test, explore voluntary pooling arrangements between local authorities (to mitigate development impacts on the wider area) and to explore the potential of open book arbitration.
72. In the course of this research, further consideration needs to be given to how planning obligations might support city-region spatial planning by spreading development wealth across the city-region to targeted regeneration areas. Such an approach would need to be based on detailed analysis of the local housing, labour, leisure and cultural markets to plot the potential direct and indirect impacts of development. The ability to generate funding from planning obligations will vary from one locality to another. Therefore any proposed expansions in the use of planning obligations should ensure that any schedule system is equitable and does not reinforce regional disparities.
73. Another area for research is the potential use of planning obligations to support Area Action Plans and masterplans rather than having to be used in the vicinity of the development site (i.e. supporting measures not directly related to the development permitted). They could be used on a range of environmental projects, including land remediation, or more creatively to contribute to some of the social benefits of a scheme – examples might include developing a community crèche or community leisure facilities. This would assist in encouraging more sustainable, mixed-use development.
74. In any event we need to develop a system of planning obligations that provides developers with greater transparency and certainty about the contributions they may be called on to make. This will also alleviate the considerable amount of time planning officers can spend on negotiating Section 106 payments (whilst developers make their best efforts to wriggle out of them). Without exchanging one form of complexity for

another, any new schedule approach would also need to provide the opportunity to operate differential rates to influence policy implementation, for example lower or 'waived' section 106 payments in areas identified for regeneration, or in areas with low property values where development may be economically marginal or to reflect development site difficulties.

75. The schedule approach (which predetermines the impact of development based upon its scale, use and location and which contains mitigating factors) has already operated successfully in Leeds in securing developer contributions to the Leeds Supertram, affordable housing, education and public open space, and could in principle be extended to other land use topics.
76. A schedule approach would generate a new income stream for local authorities. Clear assurances are required from Government that this would not prompt the clawing back of other grants to local government, negating the benefit of the additional money raised.

The Core Cities would welcome the continued involvement with the ODPM in the research and development of Section 106 planning obligations.

#### **SECTION 4: SUMMARY OF KEY ISSUES AND SUGGESTED ACTION**

The Working Group is requested to consider how best to ensure that its collective experience and expertise is fully engaged in all actions which flow from decisions on this paper.

##### **The ability to develop spatial planning strategies which provide for the future**

###### Key issue 1:

The lack of an overall national spatial framework to address issues in the imbalance of development between the south east and other regions; to provide the 'joining up' of policies at the national level, and, to assist in testing and explaining the spatial dimension of the various policies and programmes of Government.

*A separate note on the core elements of a national spatial framework is attached at Annex A.*

*Building on the work already in progress to deliver stage 2, consideration should be given to how far the relationships between the six to ten measures identified as having the greatest potential to contribute to regional economic performance could be packaged to effect integration, thereby achieving an impact greater than the sum of the individual parts. This can be taken a stage further by reviewing those policies which are believed to have an implicit regional dimension to understand more about the cumulative impact of a broad range of government policy and expenditure on the regions.*

*The Working Group may also wish to pursue further some form of national spatial planning framework as outlined in Annex A.*

Key issue 2:

The Communities Plan may achieve little in isolation if not joined up to economic regeneration and the competitiveness of the region as a whole. The housing growth areas and Pathfinder projects (which have been allocated on the sub-regional basis) need to be set into a wider sub-regional spatial strategy and into Regional Spatial Strategies to supplement the fine grain communities analysis with the wider regional perspective.

*The Core Cities would welcome the opportunity to work with Government in delivering the Communities Plan.*

Key issue 3:

Regional planning has tended to avoid making the hard strategic choices, such as accommodating demand for new housing or the location of areas for key employment growth.

*The Core Cities would welcome the opportunity to work with Government to develop guidance (review of Planning Policy Guidance Note 11 – Regional Planning) for the preparation of Regional Spatial Strategies based on clear analysis of the role of principal cities and city-regions.*

Key issue 4:

The city-region acts as the foundation for analysing the dynamics of a city and its surrounding environment and provides the functionally coherent unit for developing forward planning strategies. Furthermore, given that it is defined by the boundaries of local markets, the city-region provides the basis for spreading the benefits of the Core Cities' prosperity and assets to the wider city-region.

*The Working Group is requested to commission a research project to improve understanding of strategic planning at the city-region level and to: (a) to determine what examples already exist of the effective identification and planning of city-regions elsewhere, (b) to define the issues that could be tackled by city-region planning, and (c) to examine how authorities have combined together formally or informally to collaborate on the development of a city-regional spatial plan. A draft specification for a research project is attached at Annex B.*

*The Core Cities would welcome Government support in facilitating greater collaborative work at the city-regional level – voluntary at first but in the longer term perhaps with more formal structures and mechanisms negotiated between the local authorities within the city-region, Government and regional institutions.*

## **The provision of suitable sites for employment, transport and housing**

Key issue 5:

Whilst the proposals for the reform of the compulsory purchase and compensation system will significantly reduce the complexity and speed up the system, a number of issues still remain related to local authorities' ability to implement them. These centre

on the reluctance in the use of compulsory purchase powers, the dwindling skills base within local authorities for implementing the powers, and the lack of resources directly available to local authorities to pursue CPOs.

*The Core Cities to identify priority locations for land assembly as part of Regional Spatial Strategies / Local Development Frameworks and detailed Area Action Plans / masterplans which link the acquisition of the site to the wider regeneration and redevelopment picture.*

*A revolving fund is required to facilitate land assembly and the recycling of derelict land.*

Key issue 6:

Despite the changes in land use policy, the development pressure is still overwhelmingly towards greenfield sites on the edges of cities. Many brownfield sites are severely derelict or contaminated, have inadequate service provision and inadequate access and 'hope values' that can far exceed market values.

*A greater recognition of the role of urban capacity studies is needed.*

*The Core Cities welcome the Government's continuing work with the European Commission to explore the possibility of a new regeneration framework under which state aid would be permitted.*

## **The quality of the urban environment and overall quality of life**

Key issue 7:

Consideration needs to be given to how we might raise design horizons generally on the scale of the city-region, core city and the neighbourhood.

*The Core Cities to promote urban design as a key consideration in regional and local spatial strategies.*

*An initiative is needed to provide public sector funds in areas of low market values to pump prime improvements in quality.*

*The Core Cities to support efforts to improve the design elements of publicly procured schemes, for example by underwriting competition efforts and the risks of abortive work.*

Key issue 8:

Planning Obligations can play an important role in improving the quality of the environment and the overall quality of life. Further consideration needs to be given to how planning obligations might support city-region spatial planning by spreading development wealth across the city-region to targeted regeneration areas. Any new schedule approach would need to provide the opportunity to operate differential rates to influence policy implementation.

*The Core Cities would welcome the continued involvement with the ODPM in the*

*research and development of Section 106 planning obligations.*

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## NATIONAL LEVEL SPATIAL PLANNING

### Purpose

1. This paper meets the Working Group's request for a separate note on the core elements of a national spatial framework. The paper briefly examines the need for some form of national level spatial planning; the spectrum of approaches to national level spatial planning and recommends a course of action which builds on work already in progress to deliver the PSA 2 target.
2. In preparing this paper, meetings have been held with ODPM Officials, the North West Development Agency and Professor Peter Roberts (Geddes Centre for Planning Research, University of Dundee). The paper also draws on published research material.
3. For the purposes of this paper the term 'national' level spatial planning refers to England and not to the UK as a whole.

### The need for national level strategic planning

4. The 'Planning Mechanisms' paper highlights the need for some form of national level strategic planning to :
  - Provide coherent and integrated policy to guide spatial planning and investment decisions of national importance (e.g. major infrastructure proposals);
  - Provide greater confidence and certainty for investment (public and private);
  - Facilitate better targeting of investment to specific areas of need and opportunity across the country;
  - Facilitate greater connectivity between planning; transport planning; housing; economic development; communications; area regeneration, and environmental strategies at the national level, to achieve a sum greater than the individual parts;
  - Provide the spatial overlay to the Communities Plan, linking housing investment to investment in infrastructure etc;
  - Identify and give spatial expression to the detailed policy levers needed to deliver the PSA 2 target;
  - Set the regional agenda (nine RSS and RES) within a clear and integrated national framework.
5. The need for national level strategic planning is increasingly being recognised in other countries with whom England has to compete for new investments and resources within the global urban system of Europe. A number of countries have developed national level strategic planning frameworks within the context of the European Spatial Development Perspective:
  - Within the British Isles: Ireland, Scotland and Wales;

- In continental Europe: Austria; Denmark; Finland; France; Germany and the Netherlands have a national perspective or plan which sets out the broad pattern of spatial development (taken from Wong, Ravetz and Turner, 2000).

## Timing

6. The current timing for the consideration of some form of national strategic planning is opportune. There are currently three drivers:
  - Public Service Agreement 2 (PSA 2) joint target between HM Treasury, the DTI and the ODPM. Work to deliver this PSA target includes the commissioning of research to identify the drivers of regional economic performance and to understand more about the dynamic and complementary nature of these drivers. At the same time Government is reviewing existing policy instruments to understand more about the impacts of current policy and Government spending on the regions. The results of this work will be analysed to identify the six to ten key measures which will have the greatest potential to contribute to regional economic performance.
  - Greater regional involvement in the development of national policies. It is recognised that the measures taken by Government and others to achieve the PSA 2 target will differ from region to region. For the first time in SR 2002, HM Treasury asked RDAs and Regional Government Offices to prepare Regional Priority Documents, outlining their assessment of regional priorities for mainstream Departmental expenditure. Government Departments were required to take these assessments into consideration in preparing their spending plan submissions to HM Treasury. This process will be taken forward in future Spending Reviews.
  - The Government's intention to issue statements of national policy in relation to national infrastructure provision, and the review of National Planning Policy Statements, will provide an opportunity to ensure that the spatial implications of new policies are mutually compatible.
7. Identifying in more detail the key policy measures which could benefit from some level of integration at the national level and then considering how best to effect co-ordination and integration is the next logical step.

## Maintaining the status quo

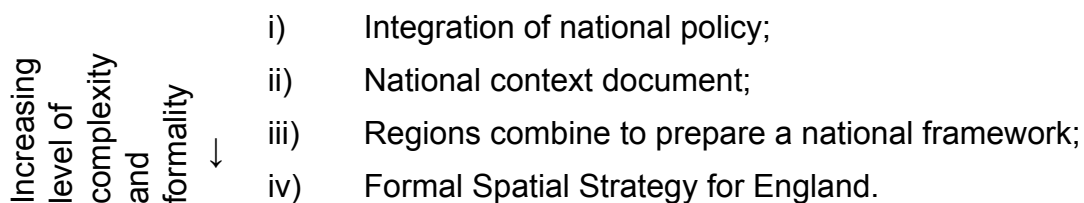
8. The disadvantages of maintaining the status quo are as follows:
  - The absence of integrated national spatial planning mitigates against the Government's desire for 'joined up thinking';
  - The absence of integrated policy at the national level hinders the process of joining policy at the regional and local levels (through RSS and LDFs);
  - Current national policy is developed incrementally with limited horizontal linkages between different sectoral policies, e.g. airports, ports, rail freight, road

infrastructure and housing (many policies contain implicit spatial impacts which therefore are often not mutually compatible);

- The lack of spatial integration of national policy hinders the ability to make co-ordinated decisions on major infrastructure proposals;
- Inter-regional issues are not fully addressed (nine RES and RSS), although there are several examples of joint working between regions at the sub-national level.

## Options for national level spatial planning

9. There exists a number of different approaches to national level spatial planning; a broad spectrum from the informal linking of policy through to a formal 'National Spatial Strategy'. An indicative (but not exhaustive) list of approaches might include:



10. The main objective is that we should be somewhere on the spectrum, with a mechanism that in the first instance provides the informal 'joining up' of policies at the national level, and which allows the spatial dimension of the various policies and programmes of Government to be tested and explained.

### i) Integration of national policy

11. A number of existing national policies and instruments contain a specific dimension designed to improve the economic performance of all regions and / or to narrow the gap in growth rates between regions (e.g. RDAs; Small Business Service; Regional Selective Assistance), whilst other national policies and instruments have an implicit spatial dimension (e.g. transport policy; research and development expenditure). Under PSA 2 the Government is already reviewing those policies with a specific regional dimension to understand more about the impacts of current policy and spending on the regions and the inter-relationships between policy areas. The results of this research will be analysed to identify the six to ten key measures which will have the greatest potential to contribute to regional economic performance. This work can be taken a step further by considering how far the relationships between these six to ten identified measures could be packaged to effect integration, thereby achieving an impact greater than the sum of the individual parts. For example, one might anticipate that expenditure in skills training would fall within the six / ten key measures. However a qualified work force would be of little benefit in an area struggling to attract employment opportunities as a result of a lack of suitable serviced sites for business use or sub-standard national and international transport connections.
12. The work to review current policies should be extended to include those policies which are believed to have an implicit regional dimension to understand more about the cumulative impact of a broad range of government policy and expenditure (e.g.

planning; transport; economic development; communications; energy provision and mineral extraction). The objective would be to identify in more detail the wider range of government policy and expenditure decisions which have a regional impact and which might benefit from national co-ordination and integration. This would be followed by considering how best to bring about co-ordination and integration i.e. what are the levers to pull to influence regional development.

13. The most simple means of effecting some level of integration within this broader range of policy would be through a process. It is understood that Government is already considering the development of a system of 'region proofing' to establish a culture whereby regional issues are given due weight in policy development. Whilst this will serve to highlight the regional dimensions of policy, it falls short of effecting the integration and co-ordination of policy. An additional or alternative approach could be to establish a Standing Advisory Panel to consider the implications of national policy and decisions on the regions and to endeavour to foster some integration between policy so that spatial impacts are increasingly compatible and 'joined up'. The Panel itself could be formed within varying degrees of formality. It may consist solely of Government Officials and Ministers or may be extended to include external representation (i.e. academics; experts; practitioners; local authority policy makers). Allied to that, periodic open conferences may be beneficial in inviting a wider range of policy makers and practitioners to express views to feedback into policy making and review.
14. The process of integration would be more productive and explicit through a document which seeks to explain the process and which seeks to set out the overall context for future development.

#### **ii) National context document**

15. This might involve the development of a light touch document setting out in very broad terms the overall context for planning across England. It would have more of a spatial dimension than the proposed National Planning Policy Statements and act as a framework within which sectoral policies can be formulated and implemented in a more balanced way.

#### **iii) Regions combine to prepare a national framework**

16. A further approach could involve the regions combining together through the English Regions Network and the RDAs to prepare a national framework (a bottom-up approach). The starting presumption to encourage regions to contribute to the process would largely follow the rationale behind the establishment of the Working Group, i.e. widening disparities between and within UK regions over a period of sustained economic growth, during which the south east has shown signs of overheating.
17. The method would be to sit Regional Spatial Strategies (informed by and informing Regional Economic Strategies; Regional Transport Strategies and Regional Housing Statements) and Regional Priority Documents alongside each other to identify inter-regional issues and broad patterns of development, as a basis for increased regional input into the development of national policies.

#### **iv) Formal 'Spatial Strategy for England'**

18. A formal national spatial strategy would establish a further layer of positive land use planning between the ESPD and the English regional structures. Even within a formal strategy there exists a spectrum of levels of complexity and prescription, ranging from a vision document to a strategic framework and masterplan. Its status could be binding (e.g. through regulation or legislation), that of a formal material consideration or a guide.
19. A national spatial strategy for England would have as the starting point the national context and would develop a framework for specific policy areas such as infrastructure, energy, housing and economic development. One model for this would be the comprehensive national strategy and policy papers produced for the Netherlands.
20. Such a national spatial strategy could be approached from a number of different themes:
  - The supporting balanced regional development theme – reducing the persistent gap in growth rates between regions is the starting point;
  - The spatial and institutional systems theme – interactions of organisations in a spatial context;
  - The land resource theme – land use is the starting point;
  - The sustainable development theme – activities set in a wider context.
21. Key policy issues that may be covered include:
  - Central Policy aims: e.g. promoting sustainable development; achieving national economic development and regeneration priorities; achieving a better balance of development between the regions.
  - Policy linkages: linkages to EU and UK spatial policy; linkages to regional spatial planning.
  - Policy integration: functional integration of related policies; coherence between policy systems; consistency of approach and practice.
  - A context for investment: public investment; private investment.

#### **Conclusions and action**

22. The Working Group is requested to explore further the 'integration of national policy' approach, building on the work already in progress to deliver PSA 2 (paragraph 11). The results of research to understand more about the impacts of current policy and spending on the regions will be analysed to identify the six to ten key measures which will have the greatest potential to contribute to regional economic performance. Consideration may then be given to how far the relationships between these six to ten identified measures could be packaged to effect integration, thereby achieving an impact greater than the sum of the individual parts.

23. This should be taken a stage further by reviewing those policies which are believed to have an implicit regional dimension to understand more about the cumulative impact of a broad range of government policy and expenditure on the regions (e.g. planning; transport; economic development; communications; energy provision and mineral extraction). The objective would be to identify in more detail the wider range of government policy and expenditure decisions which might benefit from national co-ordination and integration. This would be followed by considering how best to effect co-ordination and integration, for example, through a Standing Advisory Panel (paragraphs 12 and 13).

## **Bibliography:**

This paper draws on the following research:

1. *Wong C, Ravetz J, and Turner J, The University of Manchester (2000), 'The United Kingdom Spatial Planning Framework – A discussion', Commissioned by the Royal Town Planning Institute.*

The first stage of the research involved the commissioning and publication of six scoping studies of key sectors. These provided the context for stage two in which a team from Manchester University carried out a feasibility study to investigate whether there is a need for a National Spatial Planning Framework, and if so, how it might work. The study examined housing, employment and transport issues; European influences; longer term trends and various options for a UK spatial planning framework.

2. *Ecotec Research and Consulting and Cardiff University (2001), 'Comparative Spatial Planning Methodologies', Commissioned by the Welsh Assembly.*

The purpose of the research was to identify a range of options for the preparation of a national spatial framework, to advise on the range of issues to be addressed by the framework and to highlight a preferred option most likely to meet the dual criteria of best practice and suitability to the Welsh context. The research included analysis of six case studies of spatial planning methodologies drawing on examples from the UK and Europe.

3. *The Royal Town Planning Institute in Scotland (2000), 'Towards a National Planning Framework for Scotland – A Consultation Paper'.*

A consultation paper based on research undertaken by Professor Peter Roberts, Greg Lloyd, Barbara Illsley, Mike Chapman, Richard Slipper, Lisa Walker, Mark Tewdwr-Jones, Adrian Colwell and Derek Lyddon and co-ordinated by the National Planning Framework Working Party for Scotland. The paper examines the need for a national planning framework; frameworks in other countries; the purpose of a national planning framework; the scope of a framework and the method for preparing a strategic territorial plan.

## DRAFT SPECIFICATION FOR A RESEARCH PROJECT TO IDENTIFY BEST PRACTICE IN CITY-REGION PLANNING STRATEGIES

### Invitation to Tender

1. The Core Cities / ODPM ?? wish to enter into a contract or contracts with suitably experienced researchers able to undertake a research project to identify and explore best practice in city-region planning in the UK and in continental Europe.

### Purpose of the Research Project

2. The purpose of this research project is to identify and explore best practice in city-region planning in the UK and in continental Europe. The research is intended to contribute to the debate on city-region spatial planning and to assess its applicability and transferability to the forward planning of English regional cities.
3. The research project will contribute to the work currently being undertaken by the 'Cities Creating Prosperous Regions Working Group'. The Working Group was established in May 2002 between the Government's economic departments responsible for the 'regional disparities' PSA2 target (ODPM; DTI; HM Treasury), the Regional Development Agencies and the Core Cities Group, with the terms of reference to *"make recommendations for policy changes and practical actions to enable the major regional cities to fulfil their potential as drivers of the urban renaissance and the economic competitiveness of their regions – and thereby strengthen the national economy's capacity for growth"*.
4. The Working Group has sought to explore collaboratively, and in more detail, the factors that appear to differentiate the competitiveness of regional cities here and in continental Europe. A number of key policy areas are being investigated as crucially significant for the ability of cities to perform as motors of growth for their regions – these include, amongst others, 'the role of land use planning in creating the conditions for greater competitiveness and a distinctive urban renaissance in cities'.
5. The research project may also inform the review of Planning Policy Guidance Note 11 – Regional Planning (PPG 11, 2000). Under the Government's proposals outlined in the Planning and Compensation Bill, Regional Planning Guidance will be replaced by statutory Regional Spatial Strategies which will form part of the development plan. The Bill contains enabling powers for the Secretary of State to prescribe detailed requirements in regulations. It is envisaged that there will be separate regulations relating to regional and local planning. It is also proposed to issue guidance, with full revisions of Planning Policy Guidance Note 11, for consultation in Autumn 2003.

## Background

6. The Working Group considered an initial paper on 'Planning Mechanisms' at their meeting on 25 November 2002. This paper noted that social and economic processes do not follow local government boundaries. A city-region is the 'functional city' and can be defined by the boundaries of the local labour market, housing market, retail catchment; strategic transport connections; leisure and cultural markets. It is generally much larger than the 'official city' but rarely equates to the former metropolitan county boundary.
7. As part of their competitiveness strategies many continental European cities are taking the lead in strengthening planning and collaboration within their city-regions. In contrast thinking about city-regions remains relatively undeveloped in the UK, although a number of different models of sub-regional planning are now beginning to emerge. However, if city-region analysis has benefited some continental European cities, could it be equally applicable to managing the forward planning of English city-regions ?

## Aims and Objectives

8. The aims and objectives of the research are to:
  - i) Identify and explore examples of best practice in city-region spatial planning;
  - ii) Review and analyse existing research material;
  - iii) Assess the scope for transferring the lessons from UK and continental Europe to the forward planning of English regional cities;
  - iv) Produce an authoritative report that is regarded as relevant and useful by the Working Group and by the ODPM for the development of policy and practice.

## Research Questions

9. The study should address the following issues:
  - i) What examples of city-region spatial planning exist in the UK and in continental Europe ?
  - ii) What examples of 'best practice' can be found ?
  - iii) What are the factors which contributed to the decision to pursue city-region planning ?
  - iv) What have been found to be the benefits (and drawbacks) of city-region planning ?
  - v) How has city-region planning contributed to competitiveness strategies ?
  - vi) What are the issues that have been / could be tackled by city-region spatial planning ?
  - vii) How has 'buy in' been secured from the local authorities concerned ? How have individual local authorities been encouraged to combine in the process (to achieve a sum greater than the individual parts) whilst potentially relinquishing some of their autonomy in planning their own local area ?

- viii) How have authorities combined formally or informally to collaborate on the development of a city-regional spatial planning strategy (what are the mechanisms; structures; networks) ?
- ix) How have authorities worked across administrative boundaries ? How have administrative boundaries helped or hindered ?
- x) What have been the products of city-region planning exercises ?
- xi) How applicable might city-region spatial planning be to the forward planning of English cities ?
- xii) How might the lessons be transferred to city-region planning in English cities ?

## Scope

- 10. It is envisaged that the research will adopt a case study approach and will largely be a desk study, reviewing and analysing existing material. However, the research project may also involve some primary research in the form of key interviews.

## Information

- 11. This research should draw on the research project commissioned by the ODPM (and being undertaken by Professor Michael Parkinson, Liverpool John Moores University) to identify the lessons to be learned from European non-capital cities as drivers of the urban renaissance and economic competitiveness of their regions. This research project is scheduled to report in April / May 2003.
- 12. This research should also draw on the work already undertaken by the ODPM International Division to examine the operation of the planning system in other European Countries.

## Outputs

- 13. The required outputs of the research are as follows:
  - i) A personal presentation of the interim results to XXXX by DDMMYY.
  - ii) XX copies of a draft final report for the comment of XXXX by DDMMYY.
  - iii) XX copies of a final report by DDMMYY. The final report should consist of a research summary, and report on the research, summarising methods, findings and recommendations. The summary and report are expected to be proof read, concise, in plain English and of publishable standard.
  - iv) A final personal presentation of the findings to XXXX.
  - v) A copy of the research summary and report on the research in Microsoft Word format on CD / Disk.

**Timetable**

14. The research should be begun by March 2003, and be completed by the beginning of July 2003.

**Tendering Instructions:****Project Management:****Evaluation Criteria:**