Towards a sustainable negotiated mode of strategic regional planning: a political economy perspective

Ian Gordon
Geography/LSE London, London School of Economics

Tony Champion
Geography/CURDS, Newcastle University

Planning Regional Futures sessions,
Regional Studies Association Winter Conference
London, 15-16th November 2018


1: Introduction: Planning Strategically without a Strategic Plan
A Time to Think Again about Strategic Regional Planning – and Making it Work

- Pendulum is swinging back from pure localism – in the face of a recognisable housing / land supply crisis
  - across some broad version of South East England
  - initially to some unworkable/panicky forms of authoritarian centralism (antithetical to return of local ‘control’ in 2010)
    - ignoring political/economic complexities, and
    - the very long-term dimension of private asset management
- But cannot count on a restoration of some successful / acceptable strategic regional planning model
  - Past (UK and SE) versions didn’t actually achieve results
    – even with less (evident) uncertainty
  - National mood is not one of accepting top-down ‘expert’ guidance
Aims of the Paper

• A rethinking of how a genuinely strategic/regional dimension to planning can be developed/practised
  • longer run + spatially broader & more fundamentally grounded than operational planning
  • but not necessarily (or desirably?) embodied in a Strategic Plan
• On a basis that is
  • sustainable, in sense of being:
    • Organic, resilient, built over/for the long run – and functional
  • realistic and anticipatory/proactive in relation to:
    • Power and responsiveness of Economic (Market) and Political (agency) forces
  • attentive to:
    • complexity of extended regional/metro systems;
    • evolving sources of uncertainty;
    • and current suspicion/resistance to the authority of experts
• Its argument works from
  • some conceptual analysis (general?)
  • via empirical review of dysfunctional (UK) experience
  • to normative proposals (for UK and beyond)
• Presented in two halves:
  • A sketch of this argument
  • Illustration of some key issues - in relation to spatial dynamics of population
    • interactions with planning strategies/politics + market forces
    • sharing understanding of indirect effects
    • and role of forecasting/targets.
2: A Sketch of the Argument
Decentring Strategic Regional Planning
Some First Principles

- **Strategy** is about securing a purposive/positive sort of coherence in a complex system;
- But the **capacity to steer** (regional) systems is not simply available to/possessed by ‘planners’/the state
- **Governance** = policy + markets + informal institutions/ norms/ understandings
- **Planners who blind themselves** to two thirds of this cannot effectively / positively contribute to the process
- (Predictable) **market responses** can produce perverse effects – especially when they reflect a longer-term view – and/or exaggerated notions of planners’ influence
- **Inattention to institutional factors** can invoke (unnecessary) resistance
- **Realistic planning** for how implementation can be secured is a vital element of strategic planning, but is a matter of developing practice as much as of sophisticated ideas
Learning from Past Experience

• The empirical track-record in UK/SE since 1940s has
  • instances of sophisticated analysis + ambition
    • from LTPD, SPSE, sub-regional LUTS …….. RA spatial strategies
  • undermined by
    • naïve assumptions about implementation, and
    • repeated discontinuities and/or lack of persistence in the political environment
  • compounded by
    • an over-emphasis – in issue-definition – on some fragile forecasts (e.g. of sharp population growth)

• The priority should be developing a continuing capacity for:
  • sub-national reflection, sustained action and response to shifting circumstances/situations

• This is something that has to be learned/built
  • it’s not just a matter of overcoming resistance to a well-grounded professional model
Four Foundations for Realistically Sustainable Strategic Practice

• An emphasis on building collective understandings and habits of co-operation across agencies/areas (in a pluralistic way, not just across ‘a region’);

• Reducing incentives to non-co-operation (e.g. business rate) as well as boosting those for co-operation;

• Some enabling (rather than authoritative) leadership from a CG super-regional minister (maybe Mayors too?)
  - with a capacity to commit resources as well as sticks/carrots

• Establishing a ground for negotiating acceptable deals among parties
  - including the (broader) collective understandings of how the ‘regional’ system functions and is/may be liable to change

  - backed up by a lot of tactical and operational planning
  – just not an iconic Strategic Regional Plan
3. A Key Illustrative Aspect
Understanding and Steering the
Spatial Dynamics of Population
Change
Need for Shared Understanding of the Extent of the Region

• **A century ago** – before interwar suburbanization – London’s daily urban system was only just beginning to extend into Middlesex and other ‘Home Counties’

• **A quarter of a century on**, Abercrombie’s ‘Greater London Plan’ (GLP) set out a blueprint embracing the new suburbia and, beyond it, including a wide Green Belt (with strict building controls) and a ring of New Towns (for planned overspill designed for a once-and-for-all reduction in London’s density)

• **After 25 years of unexpected population growth**, Hall et al (1973) noted the GLP’s inadequacy and observed voluntary/market deconcentration ‘leap-frogging’ the Green Belt, widening the region further and increasing commuting distances – a case of ‘containment strategy’ having perverse spatial effects

• **25 years on again**, the POLYNET study identified a polycentric urban region extending as far as Dorset to the west and Norfolk to the north, powered by pervasive displacement effects due to the intervening areas of inelastic housing supply

• **Now** not just a Wider South East (WSE) but a ‘Still Wider South East’ (SWSE), seen as a complex structure of overlapping labour market areas requiring a genuinely strategic dimension to its planning – as reflected by results of migration data analysis …
1. **London** - population of 9 million and a radius of c30 kms;
2. **Outer Metropolitan Area** (OMA) - population of 7 million and a radius of c50-60kms;
3. **Outer Wider South East** (OWSE) - population of 9 million and a radius of c120 kms);
4. **A Fringe**, outside the WSE – population of 9 million and a radius of c180kms;
5. **The rest of the UK** including Wales, Scotland and Northern Ireland - population of 33 million.
**Net migration between zones, 2001-2016**

- **London** (-70.2)
- **OMA** (+4.9)
- **OWSE** (+26.6)
- **Fringe** (+25.7)
- **Rest of UK** (+13.0)

- **Net flow from/to:**
  - London
  - OMA
  - OWSE
  - Fringe
  - Rest of UK

- **Source:** calculated from ONS data

**Key Points:**

- London lost residents to the SWSE’s 3 rings, especially OMA (51k/year)
- Despite OMA’s big gain from London, it barely gained overall because of losing to the other three UK zones (as type of *entrepot*)
- OWSE gained both from OMA and directly from London, i.e. continuing the *cascade* as well as via *leap-frogging*
- In gross terms, London supplied 104k/year to OMA and 61k/year to OWSE, while OMA supplied 77k/year to OWSE
Need for Shared Understanding of the Dynamics of the Region

Three Currents of Migration affecting the WSE, 1975-2016

- Major changes in migration over the last 40 years:
  - North-to-South net migration averaged 50k/year in early 1980s, now zero
  - International net migration up from zero in 1970s to ca 150k now
  - Deconcentration is a constant feature though fluctuating considerably

Source: calculated from ONS data
A New ‘Migration Regime’ for the SWSE?

- Clearly, the SWSE’s migration dynamics now are very different from 40, even 20, years ago
- The Deconcentration current is very important for the SWSE’s internal population structure, with its fluctuating behaviour
- One factor is the business cycle affecting housing & labour markets, but its latest dip predates the 2008/09 recession
- Potential sources of long-term change in deconcentration:
  * Fall in the numbers arriving in London from abroad post-Brexit
  * Shift in London’s population mix towards ‘city-loving’ groups
  * Decline in frequency of moving home over all distances
  * Delayed progression of people through the life course
  * Apparent increase in the power of agglomeration economies
- These sources all tend towards less movement out of London, but some changes could also alter in-migration from the rest of the UK
Need for Shared Understanding of How to Interpret Projections

- The ‘internal migration’ component of the ONS’s projections of population & households is a forward projection of past age/sex-specific rates & patterns
- It is based on the (unweighted) mean of the latest 5 years of records, though variants are promised on a longer span that will give quite different outcomes for the Deconcentration current
- It is based on the trend in recorded data, not on any modelling of potential drivers – most notably, no link with the future level of London’s international migration
- It projects forward the (implicit) impacts of past policies, but does not allow for future decisions & other changes – so, e.g.:
  * LAs that have enabled development are expected to take more
  * Failure to meet housing targets in London is assumed to continue
Projecting London’s Population

London’s net migration balance with the rest of the UK, 2001-16, plus annual averages for selected periods

Latest three ONS projections for London

<table>
<thead>
<tr>
<th>Year</th>
<th>2012-based</th>
<th>2014-based</th>
<th>2016-based</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>8,308</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>8,531</td>
<td>8,539</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>8,759</td>
<td>8,832</td>
<td>8,770</td>
</tr>
<tr>
<td>2037</td>
<td>10,662</td>
<td>10,820</td>
<td>10,142</td>
</tr>
<tr>
<td>2039</td>
<td>10,976</td>
<td>10,245</td>
<td></td>
</tr>
<tr>
<td>2041</td>
<td></td>
<td>10,346</td>
<td></td>
</tr>
<tr>
<td>Change</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full 25 years</td>
<td>2,354</td>
<td>2,437</td>
<td>1,576</td>
</tr>
<tr>
<td>2016-37</td>
<td>1,903</td>
<td>1,988</td>
<td>1,372</td>
</tr>
</tbody>
</table>

Source: calculated from ONS data
In Sum

• In the light of problematic implementation, political discontinuities, demographic uncertainties and a populist revolt against ‘experts’, the time for iconic strategic plans (and trend-based projection) has passed.

• In London’s case, regional planning must be based on understanding that:
  * its effective migration region now stretches beyond the WSE
  * chains of displacement effects link areas across this region
  * migration currents interact strongly – notably internal with international
  * marked fluctuations still partly reflect macro-cycles in space demand
  * a new ‘migration regime’ may be emerging

• More generally, there must be realistic appraisal of and explicit attention to both economic (market) and political (conflictual & consensual) processes in shaping future regional development.

• A necessary strengthening of the strategic regional dimension to planning needs efforts to develop trans-local habits of co-operation, with deal-making grounded in a shared understanding of how extended regions function.
Towards a sustainable negotiated mode of strategic regional planning: a political economy perspective

Ian Gordon
i.r.gordon@lse.ac.uk

Tony Champion
tony.champion@ncl.ac.uk

Planning Regional Futures sessions,
Regional Studies Association Winter Conference
London, 15-16th November 2018