



NEW LABOUR AND PLANNING

FROM NEW RIGHT TO NEW LEFT

PHIL ALLMENDINGER



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First published 2011
by Routledge
2 Park Square, Milton Park, Abingdon, Oxon, OX14 4RN

Simultaneously published in the USA and Canada
by Routledge
270 Madison Avenue, New York, NY 10016

Routledge is an imprint of the Taylor & Francis Group, an informa business

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Typeset in Bembo by
Book Now Ltd, London
Printed and bound in Great Britain by
TJ International Ltd, Padstow, Cornwall

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British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Library of Congress Cataloging-in-Publication Data

Allmendinger, Philip, 1968–

New Labour and planning : from New Right to New Left / Philip Allmendinger.
p. cm.

Includes bibliographical references and index.

1. Regional planning—Great Britain. 2. Labour Party (Great Britain) I. Title.

HT395.G7A55 2011

324.24107—dc22

2010031309

ISBN13: 978-0-415-59748-7 (hbk)

ISBN13: 978-0-415-59749-4 (pbk)

ISBN13: 978-0-203-83199-1 (ebk)

NEW LABOUR AND PLANNING

Following the Thatcher and Major administrations there was an apparent renaissance of planning under New Labour. After a slow start in which Labour's view of planning owed more to a neoliberal, rolled back state model reminiscent of the New Right, the government began to appreciate that many of its wider objectives, including economic development, climate change, democratic renewal, social justice and housing affordability, intersected with and were critically dependent upon the planning system. In England a new system of development plans was created, along with the notion of 'spatial planning', as a way of bringing together the fragmented landscape of governance towards a range of broad objectives, including sustainable development, urban renaissance and tackling climate change.

A wide range of initiatives, management processes, governance vehicles and policy documents emanated from government. Planning, like other areas of the public sector, was to be reformed and modernised and given a prime role in tackling national, high profile priorities such as increasing housing supply and improving economic competitiveness. The result was a hyperactive period of activity and change that had a variety of intended and unintended impacts as well as longer term implications for the way in which we think about planning and the role of the state.

But the experiences of Labour tell us more than how national governments succeed, or don't, in policy change. The Labour era also calls to attention the nature of planning itself and how sources of stability and change in the wider governance landscape react to and interpret change. Drawing upon an institutionalist framework, the book also seeks to understand how and in what circumstances change emerges, either in an evolutionary or a punctuated way. It will, for the first time, chart and explore the changing nature of development and planning over the Labour era while also stepping back and reflecting upon what such changes mean for planning generally and the likely future trajectories of reform and spatial governance.

Phil Allmendinger is a Fellow of Clare College and Professor of Land Economy at Cambridge University, UK.

For Claudia, Hannah, Lucia and Eleanor

PREFACE

This book is an account of the changes to planning during the New Labour era. Despite drawing upon a range of case studies, it will never be possible to capture fully the experiences and practices of planning over a relatively long period and across a diversity of places. The book is therefore and inevitably a partial and personal account. Those wishing to read a vituperative take on the New Labour years will be disappointed. Similarly, those who felt that planning emerged strengthened and reborn will also be frustrated. While I have attempted a balanced understanding, the theme running through the book is itself one of disappointment: a disappointment with the New Labour government and a disappointment with planning and planners. I include planning academics and the professional institute in that last category. Despite the investment of time and resources, and against a backdrop of significant development demand, the opportunity to reinvent planning was lost. The proposals emerging from the coalition government on planning can be summarised as 'less is more'. They may be ideologically driven but they can be justified and defended by reference to experiences of the previous thirteen years.

New Labour was guilty of seeking to achieve too much and of not understanding how the system worked. But it was also highly dependent upon planners themselves to effect change. There are plenty of examples of innovative practices and outcomes. Equally, old practices die hard. Leadership and vision were lacking. The new totem of spatial planning advanced by the profession and academics was a chimera that, to paraphrase Aaron Wildavsky, was everything and nothing. It echoed New Labour's own obsession with positive messages and inclusive discourses around sustainable development. Conflict and difficult choices, once the role of planning, were either replaced by consensus, partnership-based governance or passed on to multiple, arm's-length enquiries. The depoliticisation of planning was merely a postponement of conflict. There cannot be 'win-win-win' solutions

in the messy, unequal and divergent real world. And so it turned out to be. By the time that this was realised it was too late. From 2008 the implications of the credit crunch on development activity began to be felt. Attention shifted, and planning was reorientated towards economic development and competitiveness.

The end of New Labour came in May 2010. There are a number of possible futures for planning under the coalition government. What planners and others need is to stand back and reflect critically upon the experiences and lessons of the New Labour era so as to help shape the future.

ACKNOWLEDGEMENTS

This book emerged over a long period and draws upon a wide range of research, some of which was undertaken with others. Particular acknowledgement and thanks should go to Graham Haughton and Mark Tewdwr-Jones, who have helped shape what follows in a number of ways. Jeremy Smalley has provided an invaluable sounding board and insightful input on my take on the evolution of planning over the years as well as being a great friend. Alan Prior and Cliff Hague at Heriot-Watt University helped shape my thoughts on planning when I was a student and then as a colleague.

Numerous others provided their time and input generously, and I would like to express my sincere thanks to: Simon Payne, John Summers and David Roberts at Cambridge City Council; Alex Plant and John Onslow of Cambridgeshire Horizons; Peter Studdert at South Cambridgeshire District Council; Robert Evans of Argent; Paul Wilmott, C. B. Richard Ellis and Adrian Gurney from Arup; Diana Chin, Pete Tyler, Helen Hartley, Kelvin MacDonald and Colin Lizieri at the University of Cambridge; Derek Hooper and Kate Mack of the Norton Radstock Regeneration Company; James Buxton of Bidwells; Rebecca McAllister at Hives Planning; Pat McAllister, Franz Fürst, Michael Ball and Kathy Hughes at the University of Reading; and Mark Oranje at the University of Pretoria.

CONTENTS

<i>List of illustrations</i>	<i>ix</i>
<i>Preface</i>	<i>xi</i>
<i>Acknowledgements</i>	<i>xiii</i>
1 From New Right to New Left	1
2 New Labour and planning	15
3 Understanding planning under Labour	38
4 Planning and urban policy	62
5 Spatial planning	88
6 Hitting the target and missing the point: speed in planning decisions	112
7 Development, infrastructure and land taxation	130
8 Conclusions	152
<i>Notes</i>	<i>169</i>
<i>References</i>	<i>171</i>
<i>Index</i>	<i>187</i>

ILLUSTRATIONS

Figures

5.1 Organisational arrangements for growth management in Cambridge	102
6.1 Application- and site-based performance measures of the planning process	120

Tables

1.1 Characterising the New Right's approach to planning	9
3.1 Areas where local planning authorities have been given additional or more complex responsibilities since the Town and Country Planning Act 1990	51
3.2 A typology of planning styles	56
3.3 Characteristics of six planning styles	57
4.1 Selected key events in King's Cross redevelopment	73
4.2 Selected key events in Radstock regeneration scheme	81
4.3 Selected policy context for Radstock scheme	82
6.1 Development control time for individual sites	121
6.2 Planning process time by local authority and development control performance, 2006	122
8.1 A New Institutionalist understanding for change in planning	163

Maps

4.1 The King's Cross Redevelopment Area	72
4.2 The Norton Radstock Regeneration Area	77
5.1 Cambridge sub-region development proposals and administrative boundaries	99
5.2 The Thames Gateway area	105

1

FROM NEW RIGHT TO NEW LEFT

Introduction

Views on New Labour, as with the preceding Conservative administrations, are seldom ambiguous. It is difficult to be detached and assess New Labour's impact and legacy objectively when issues such as the Iraq war continue to cast a long shadow. Putting this to one side, there are other problems even if we focus upon planning, and there are a number of possible narratives concerning the experiences of planning under Labour. One view might concern a 'renaissance of planning' and how, under Labour, it was again in the ascendency. New challenges and issues around climate change and sustainable development coupled with the need for multi-scalar and cross-sectoral working provided a heightened importance for planning through the notion of 'spatial planning'. By 2010 planning had emerged from the New Labour era in a position of strength and influence, charged with delivering and coordinating important elements of the government's objectives. Another possible view could be of 'business as usual': planning remained unreconstructed, slow and cumbersome. Despite the opportunity and substantial additional resources, planning failed to evolve from a 'command and control' form of regulation and embrace more networked and flexible forms of governance. A further perspective could highlight the democratic deficit within planning as it became a form of neoliberal, spatial governance, paying lip service to the wishes of local communities and attempting to force through change and development. Planners became complicit in the 'roll out' of neoliberalism, working closely with new, unelected and unaccountable bodies such as Regional Development Agencies and the Infrastructure Planning Commission to bypass local authorities and people. Yet another view could be that planning survived an inchoate scattergun of policies and initiatives based upon competing and irreconcilable objectives for and views of planning. Emphases upon increased public involvement and speed of decision-making, a 'step-change' in housing delivery and the protection of green belts,

sustainable development and economic competitiveness provided an unachievable framework for planning and planners. These and other objectives, combined with systemic reform – particularly in the 2004 Planning and Compulsory Purchase Act – and a development boom, meant that the inevitable outcome was always likely to be failure.

It would be wrong to portray these possible views as mutually exclusive. There is a cognitive dissonance around the nature of planning during the Labour era: all of these seemingly contradictory narratives can be justified through recourse to evidence and all could be held simultaneously. Any assessment of the changes to planning over thirteen years depends upon normative positions around the role of the state in general and planning in particular, the issue in question and the point in time. Labour became serious about planning and climate change only well into its second term and was initially concerned with scaling it back. Assessments also depend to a large degree on what we mean by ‘planning’. Planning has always been a diffuse phenomenon but was even more so under New Labour, as planners became a kind of coordinating, networking ‘bridge’ between different policy sectors and the public, private and voluntary sectors, all operating at multiple scales in the fractured, networked landscape of governance. ‘Planning’ also differs if the focus is upon nationally significant infrastructure, on the one hand, or a house extension, on the other.

In addition to the normative underpinnings of any assessment, the issue in question, the period and what is taken to include planning, an equally important and often overlooked influence upon change is the inherited legislative and policy framework and the policy trajectory of the previous administration. Those who concentrate solely on planning could be forgiven for overestimating its significance in the thinking of Labour when in opposition and in government. The truth is that, during the 1980s and 1990s, Labour showed little interest in planning other than as a largely middle-class mechanism for thwarting housing development and economic growth (McCormick, 1991). The 1997 Labour manifesto talked of putting the environment at the heart of policy-making and developing an integrated transport system. By contrast, by 2010 the Labour and Conservative manifestos contained a great deal more on planning, particularly in relation to housing delivery, environmental protection and climate change. The 1998 Planning White Paper (DETR, 1998) contained little, if any, vision for planning, while the 2001 Green Paper on planning (DTLR, 2001a), issued four years after Labour came to power, was more forthright on what role the government perceived for planning, though this was a very much scaled-down, market-supportive function. I go into more detail on environmental thinking and policy within Labour in the next chapter. Suffice to say here that Labour took a number of years before it began to become interested in planning as anything more than a brake upon competitiveness and growth.

Against a backdrop of such difficulties and issues, the question that arises is: Why bother? The issues above are not unique to New Labour and characterise the complexity and context of contemporary policy studies. The main difference

between assessments of the New Right and the New Left largely concern the starting point. Evaluations of Thatcherism usually began by identifying an ideology. As I go on to discuss in Chapter 2, there is much less agreement on the existence of ‘Blairism’, never mind what it entailed. If we want to understand change, then complexity and contingency provide the backdrop to any study. The second main reason is that, despite such contingency, we can still learn. New Labour was renowned for being concerned less with ideology and more with ‘what works’. Its approach to public policy was distinct in many ways, particularly the focus upon cross-cutting issues, such as health, rather than policy sectors, such as health care. In such an approach the means are less important. Planning was a ‘tool’ to achieve outcomes such as social inclusion, addressing climate change and improving economic competitiveness. If planning ‘didn’t work’, then there was nothing sacred about it. It could be replaced by other ‘tools’ or approaches. A variety of policy initiatives were introduced in order to achieve such wider objectives, among them the post-2004 system of development planning, the Planning Gain Supplement/Community Infrastructure Levy and the notion of spatial planning, among others. The ways in which these initiatives played out, evolved and effected change tell us as much about contemporary governance as they do about planning itself.

Such pragmatism is not the starting point, however. The starting point is that New Labour did not arrive in May 1997 ready formed to take forward a planning agenda. In fact, it was woefully unready, its priorities being in other policy areas such as education and health. Labour’s approach emerged and then evolved, taking in a broad range of ideas and influences. Among the most significant of these during its first term was the inheritance and trajectory from the previous administration, which, according to some, it resembled in many ways. This chapter provides an overview and analysis of that inheritance as a way of helping better to understand the nature of New Labour and its approach to planning in Chapter 2.

From New Right to New Left

The stance of the Labour Party in opposition and government was not the only influence upon change. Labour did not inherit a *tabula rasa* but a system that had been subject to attempts to impose change and an extant policy and institutional framework. The election of the first Thatcher government in 1979 represented a clear break with the postwar social democratic consensus and the initiation of a New Right (Clope, 1992). There were distinct approaches to planning within the broad umbrella of the New Right, the two most significant eras being between the periods 1979 to 1990 and 1990 to 1997.

The New Right: 1979–1990

Part of the governing ideology of the Thatcher era was the notion that ‘There Is No Alternative’: Britain’s ills needed to be addressed head-on by a radical leader

and government committed to market-based solutions, the authority of the state and personal freedom. In time this governing ideology has slid into mythology, as Thatcher promulgated the notion that she would not make a U-turn from the unpopular but correct course her government was pursuing. The coherence of the Conservative programme in the 1980s was less lucid than presented, both ideologically and in practice, and the tension arose from the fusion of two distinct collections of ideas that underpinned Conservative thinking during the 1970s and 1980s. The New Right was founded upon two sets of ideas that revolved around how the economy should be organised and the style and content of government (Thornley, 1991). These two strands have been variously labelled social market economy and authoritarian populism (Gamble, 1984), free economy and strong state (Gamble, 1988), economic liberalism and authoritarianism (Edgar, 1983), neoliberalism and combative Toryism (Norton and Aughey, 1981) and liberalism and Conservatism (King, 1987). However they are labelled, all analyses point to the attempt to move Britain towards a freer, more competitive, more open economy and a more repressive, more authoritarian (and centralised) state (Gamble, 1984: 8). The fusion of these two central tenets was largely a paper exercise, as the experience of planning demonstrated.

The authoritarian tenet of Thatcherism privileged centralisation and the neoliberal tenet required a deregulated market. Both could be reconciled through the broad strategy of 'rolling back the state' and minimising local discretion. However, there were numerous areas of public policy where there was no obvious approach that would satisfy both tenets. In planning one could point to environmental and conservation concerns as prime examples of different solutions to the same problem from within government. The neoliberal approach pointed towards deregulation and market orientation of policy in conservation, while, to authoritarians, issues such as identity were closely bound up with physical characteristics of settlements – the mythical 'green and pleasant land', for example. For authoritarians, preserving such reflections and influences on the national psyche was important. One of the consequences for a radical government intent on some change was the need to phrase policy and legislation in such a way as to satisfy both camps. The result was vague and ambiguous policy objectives and guidance. Such an approach to planning was ideologically patchy and often framed in an indistinct way so as to placate different streams within the party.

Policy ambiguity did not, however, detract from the rhetorical attacks upon planning, which were almost universally hostile. As secretary of state for planning Michael Heseltine put it, thousands of jobs are locked away every night in the filing trays of planning departments. High profile initiatives such as Urban Development Corporations (UDCs) and Enterprise Zones (EZs) played up to this anti-planning, deregulatory rhetoric, though their actual impact, such as the massive physical changes in the London docklands, was related far more to the significant fiscal and financial incentives involved (Allmendinger and Thomas, 1998). The impact of initiatives such as that in the docklands, while disputed (Brownill, 1990) and in large part dependent upon the serendipity of financial

deregulation in the City of London and the consequent demand for commercial floorspace, went some way towards 'winning the argument' that planning controls were a 'burden on business' (HM Government, 1985). Using the 'success' of the deregulatory elements of planning in EZs and UDCs, the second Thatcher government introduced a range of initiatives that sought to roll back the scope of planning controls, among them Simplified Planning Zones (SPZs) (Allmendinger, 1998), the B1 Use Class and a Green Paper entitled *The Future of Development Plans* (DoE, 1986). The Green Paper proposed a unitary system of development plans to replace the two-tier approach of structure and local plans. Criticism of development plans focused upon the lengthy time to prepare them, with only a small minority of authorities having adopted a plan by 1988 (Thornley, 1991). Critiques of the existing system were not confined to delays but also sought to engage with more fundamental issues around their purpose:

Structure plans are often too long and contain irrelevant and over-detailed policies; the relationship between structure and local plans is unsatisfactory partly because of the way in which their procedures are interlocked and partly because their contents overlap; and the procedures for preparing structure and local plans are too complex.

(McConnell, 1987: 95)

The proposals for reform met with a broadly positive response (though not from the county councils), mainly as, when the anti-planning rhetoric was removed, they were seen as pragmatic rather than dogmatic.

While there was a clear mismatch between deregulatory rhetoric and proposals, the more conservative, authoritarian-inspired changes actually had a greater impact. Some of the high profile initiatives for planning, such as UDCs and EZs, proclaimed their deregulatory credentials, though they were concerned as much with centralisation and a diminution of local discretion. Centralisation included a bolstering of the role of the secretary of state through increasing the scope and significance of central policy while reducing local discretion to ignore it. For example, changes to central government planning guidance sought to reduce the scope of discretion and reorientate planning considerations so as to reduce subjective judgements concerning design and appearance (Allmendinger and Thomas, 1998). Centralisation and the reduction of discretion formed an important theme in both New Right thinking and the approach to planning and in some ways complemented the liberalisation and deregulation tenets. Comparisons with US and continental European zoning-based approaches to planning, for example, highlighted how continental European legally binding as opposed to the UK's indicative plans increased certainty for developers and communities and resulted in quicker decisions (Thornley, 1991). EZs and SPZs sought to emulate such zoning-based systems and involved, on paper at least, a reduction in local planning controls, an increased role for the secretary of state and more certainty for the market (Allmendinger, 1998).

The attempt to ‘roll up’ planning controls and introduce a more market-based approach came up against two main problems. First, political and electoral impacts provided a much stronger steer on policy than either liberal or authoritarian ideology. Reaction to changes to planning did not play well in many, largely Conservative voting areas, where there was a resistance to new development and scepticism towards new approaches. The emergence of a number of proposals for new settlements in the south-east of England by a consortium of housebuilders was met with fierce resistance by local residents and led some Conservative MPs to see the need for a strong planning system to focus necessary new development elsewhere (Ward, 2004). Around the same time there was a growing awareness of green issues and sustainable development, particularly following the publication of the Bruntland Commission report (Bruntland, 1987) and the European Commission’s Green Paper on the urban environment (CEC, 1990). In 1989 the Green Party secured nearly 15 per cent of the vote in the European elections, bringing environmental issues, including planning controls, to popular and political attention. The perception of planning shifted from being a bureaucratic impediment to growth and competitiveness to an essential plank of environmental policy.

Second, the property industry was not embracing deregulation with anything like the enthusiasm that the New Right had envisaged. SPZs allowed landowners or developers to request that a local planning authority replace the discretionary, ‘plan and permission’ approach in their areas with a zoning-based system. If a local planning authority refused, the secretary of state could impose one. However, only a handful of privately initiated SPZs were proposed and even fewer were eventually introduced. The main reasons were that landowners and developers perceived advantages in the discretionary approach through being able to know what would be proposed and being able to comment or object. A zoning-based system removed that option and, while providing certainty that a specified range of uses would be permitted, also created uncertainty over which eventual use and building form would emerge. This amounted, in the conclusion of Allmendinger and Thomas (1998: 240), to a ‘spectacular misreading of the market supportive role of planning’. Property interests were simply unwilling to see a wholesale deregulation of planning. The viability of investments depended to a high degree on the certainty provided by planning regulation.

Against this evolving backdrop, the 1986 Green Paper emerged in 1989 as a White Paper, also entitled *The Future of Development Plans* (DoE, 1989). The proposals remained similar, though the ends to which the new system would be put had shifted. The publication a year later of the White Paper *This Common Inheritance* (DoE, 1990) pointed towards a purpose for planning that went beyond a market-supportive role to one around environmental stewardship. As part of this the proposal to abolish structure plans was dropped and, instead, the latter were to provide a strategic vision for the now mandatory local plans. As a consequence, the 1990 Town and Country Planning Act consolidated a range of changes introduced since the last major planning Act in 1971. Thus, over a decade after the

Conservatives came to power with a radical agenda, planning found itself far from minimised and serendipitously allied with growing concerns around the environment and climate change.

The New Right: 1990–1997

The replacement of Margaret Thatcher as prime minister by John Major in 1990 underscored the shift in attitude towards the role of the state and planning that had emerged in the previous decade (Allmendinger and Tewdwr-Jones, 1997). Not only was the attitude of Major important in shaping a less antagonistic approach but there were other factors that helped influence the situation. The Conservative Party's reduced parliamentary majority following the 1992 general election combined with a very public schism over Europe meant that Major was less able to force through unpopular changes and was more reliant upon conciliation than confrontation (Marsh and Rhodes, 1992). The emergence of the environment and climate change as national issues was accompanied by a shift from a focus on economic policy in the 1980s to a concern with more complex social problems, including education, crime and health (Kavanagh, 1994). Following the decision to abolish the poll tax, local government was also of prime importance, with a major review of local government boundaries and functions announced as part of an agenda to improve the responsiveness and accountability of public services (HM Government, 1991).

This period witnessed the consolidation of the shift in approach and attitude towards planning that had emerged towards the end of the 1980s. It is tempting to view the changes individually, though this would be to miss the overall impact, as the totality of the separate alterations was greater than the sum of the parts. First, a key change came in the form of the 1991 Planning and Compensation Act and its insertion of an amendment into the 1990 Act. The new Section 54A of the 1990 Act stated that 'Where, in making any determination under the planning Acts, regard is to be had to the development plan, the determination shall be made in accordance with the plan unless material considerations indicate otherwise' (Planning and Compensation Act, 1991: Section 26).

While the impact of the new wording has been questioned (e.g. MacGregor and Ross, 1995; Gatenby and Williams, 1996), the main and intended outcome was that planners, the public and the development industry should place more emphasis upon the plan as the strategy for new development in an area. This was a distinct departure, if not a U-turn, from the point of view taken in the 1986 Green Paper and the general attitude during the 1980s. The idea that if a proposal did not conform to the plan then it should not proceed represented a swing towards a more zoning-based approach (Allmendinger, 2006). However, the reinforcement of the plan-led approach was far from a form of devolution or localism. The development plan had conditional primacy under Section 54A 'unless material considerations indicate otherwise'. A significant and determinate material consideration was whether the plan accorded with national planning policy. Two issues arose