

the lie of the land!

England in the 21st century



tcpa

Summary Report

1

Introduction

The starting point for the *Lie of the Land!* report¹ is the simple proposition that the way England is currently organised will deliver sub-optimal outcomes when measured against the scale of the environmental, economic and social challenges that face us in the 21st century. In short, if we want to achieve a fair, resilient and prosperous society we must first understand and engage with change effectively; and this will require the consideration of spatial responses at local, regional and national levels.

Understanding our nation's complex geography is important because England is – economically, socially and environmentally – a 'lumpy' place.² Without a clear grasp of this multi-faceted geography, national policy can have peculiar and unintended consequences which reinforce, rather than challenge, problems such as inequality. Equally, a grasp of this complexity can guide investment to effect the kind of transformational change we need to achieve a low-carbon economy. It can help to ensure that transport, energy supply and homes are planned in the right place and at the right time.

2

Context

The TCPA has a long history of promoting equity through the planning system, and in 2006 a cross-party 'Connecting England' Commission, serviced by the TCPA, made the case that England was not working to its full potential because it lacked a national development framework to make markets work better.³ A follow-up *Connecting Local Economies* report,⁴ produced with the Local Government Association in 2010, argued that city-regions, counties and communities need the certainty that their strategies are underpinned by a wider framework for England based on the needs of regional, sub-regional and local economies.

1 The full *The Lie of the Land!* report will be published by the TCPA later in 2012

2 See *Promoting Growth in All Regions. Lessons from across the OECD*. OECD, Paris, Mar. 2012. <http://www.oecd.org/site/govrdpc/50138839.pdf>. The report states: 'Economists and policy-makers alike have long known that national economies, like the world economy as a whole, tend to be 'lumpy'. Rather than being evenly spread across space, both people and economic activity have a tendency to concentrate. This concentration process is often self-reinforcing, as it both reflects economic development processes and reinforces them. Concentration of activity often helps to stimulate further growth, as the productive potential of individuals and firms is enhanced by proximity to one another. Economies that follow this tendency, such as England, are known as agglomeration economies

3 *Connecting England. A Framework for Regional Development*. Final Report of the TCPA-Appointed Hetherington Commission on the Future Development Needs and Priorities of England. TCPA, May 2006. <http://www.tcpa.org.uk/pages/connecting-england-connecting-england-76.html>

4 *Connecting Local Economies – The Transport Implications*. Report from the TCPA, supported by the Local Government Association. TCPA, Feb. 2010. <http://www.tcpa.org.uk/pages/connecting-local-economies-the-transport-implications.html>

3

The nature of the challenge

England has many outstanding positive assets. It remains an economic world power, particularly in the knowledge economy, and is culturally rich and diverse. But England also faces a growing set of challenges. It is an increasingly divided

Summary of key themes

The Lie of the Land! is an interim statement – the basis for a more detailed examination of the pressures facing England – on key environmental, economic and social issues facing the country. It argues that England's development model needs to be fundamentally reconsidered if we are to deliver greater economic 'balance' and social equity. It highlights several themes which policy-makers will have to address:

1

Climate change is – by a considerable order of magnitude – the biggest threat to the nation's future in the 21st century. Key impacts, such as extreme weather, heat and sea level rise, make it imperative to consider the nation's vulnerabilities, notably in the East of England. Underlining the findings of the Royal Commission on Environmental Pollution's *Demographic Change and the Environment* report, published in 2011, *The Lie of the Land!* argues that there is now a renewed and urgent need to re-examine future population distribution in the light of these critical vulnerabilities and to decide on the future of those communities most at risk. This also means urgently addressing the medium- to longer-term consequences of water availability for households and for business in those areas of the South East already under water stress. And it warns that minds will be concentrated by the end of a compact with the insurance industry in 2013, with the industry insisting that continuation of flood insurance will depend on the Government reducing flood risk.

2

Concentration of economic, political and cultural activity around London and the Greater South East makes England one of the most polarised of the developed nations. Since 1979 there has been an acceptance of the Greater South East as the main

economic driver of the UK, in an approach based increasingly on financial services. There has been no sustained attempt in the last 30 years to fundamentally rebalance the economic geography of the UK.

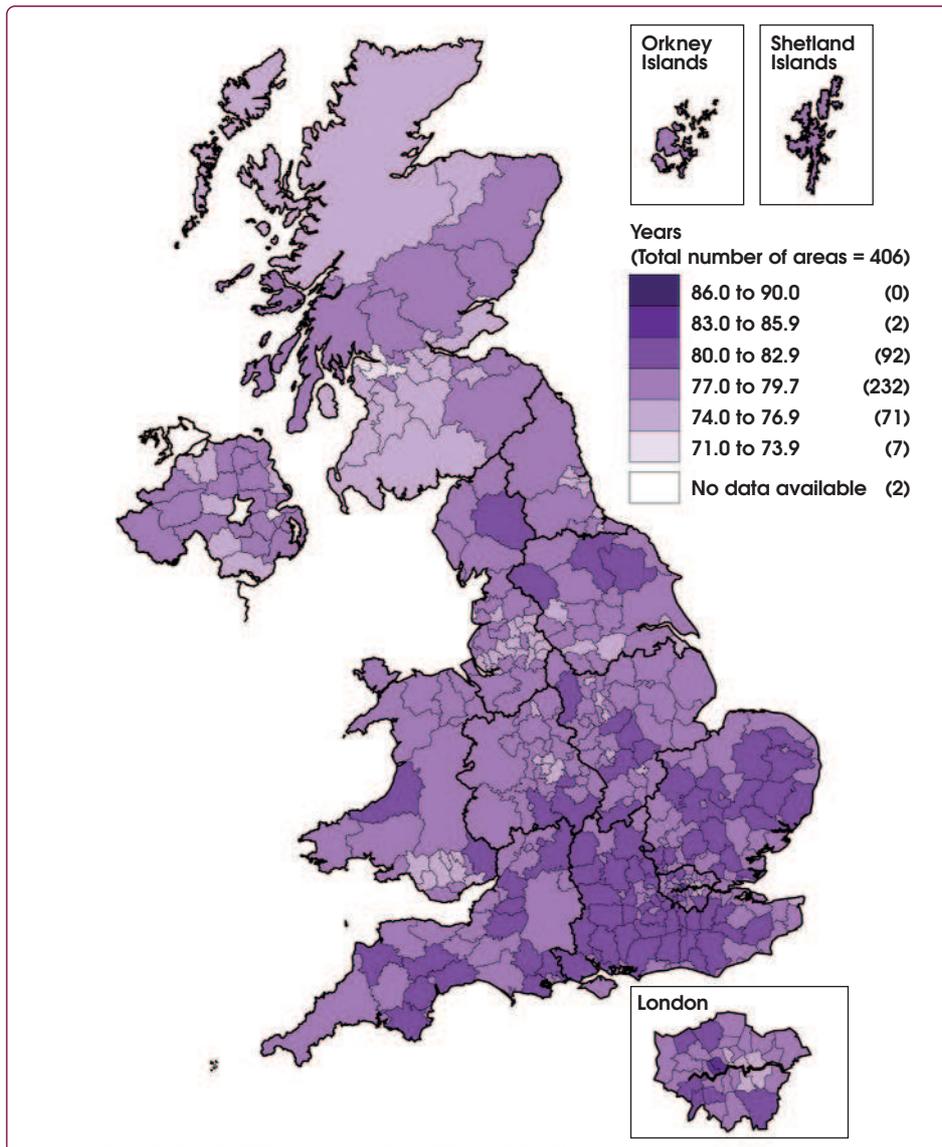
3

Unintended increases in social polarisation, caused by the welfare 'cap' and a new 'affordable rent' regime, may lead to unplanned population movements, with significant consequences for 'receiving communities'. With housing affordability declining in Central London, and homelessness rising, there has already been population movement within the capital, allied to a continuing attempt to move those on local council waiting lists out of the city to areas of low demand.

4

With the revocation of regional planning and the abolition of Regional Development Agencies, England no longer has an effective regional framework to deal with the pressing issues of housing and climate change. But this position is not universal: London keeps its regional planning and other structures – indeed, it has been granted more powers through the recent Localism Act. And, to a lesser extent, Greater Manchester (through the Greater Manchester Combined Authority, for the combined area of the ten constituent metropolitan district councils) and the Leeds city-region have, or are putting in place, less formal planning arrangements (lacking the strong transport, economic and housing powers enjoyed by the Mayor of London). However, the South East is not without its problems too; while London retains its strategic planning powers, they contrast sharply with a 'political geography of fragmentation' on the doorstep of the capital.

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A range of indicators reveal growing inequalities – male life expectancy at birth, by local areas in the UK, 2008-2010

Local and unitary authorities shown are effective from 1 April 2009. Life expectancy figures are not available for the City of London or the Isles of Scilly because of small numbers of deaths and populations

Map source: Office for National Statistics, National Records of Scotland, Northern Ireland Statistics and Research Agency
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 Contains Ordnance Survey data © Crown copyright and database right 2012

nation⁵ in which social mobility and poverty remain entrenched and where access to economic opportunities can be restricted. Complex regional disparities go beyond simplistic arguments about a North-South divide. Significant islands of unemployment and economic disadvantage lie within London and the surrounding South East, but undoubtedly parts of the North and the Midlands are characterised by archipelagos of worklessness and related poverty. Indeed, the cities, towns and former mining communities that some have labelled ‘post industrial’ present some of the most acute social problems in England. A range of indicators – health, education, job opportunities – underline a growing gap in economic performance not only between such places and nearby large ‘core’ cities, but, more significantly, between much of the wider North and Midlands and the Greater South East.

Alongside economic disparities, England faces renewed demographic pressures. The population of England has increased by 3.5 million people in the ten years up to 2011,⁶ an increase of 7.1% to 56.1 million. The number of households is projected to increase by over 230,000 per year, and nation’s population is ageing. But while England has seen the largest growth in any ten-year period since census-taking began, the variation between regions is significant – London’s population, for

5 See *An Anatomy of Economic Inequality in the UK. Report of the National Equality Panel*. The National Equality Panel. Government Equalities Office, Jan. 2010. http://sta.geo.useconnect.co.uk/national_equality_panel/publications.aspx

6 *2011 Census – Population and Household Estimates for Wales, March 2011*. Office for National Statistics, London, Jul. 2012. <http://www.ons.gov.uk/ons/rel/census/2011-census/population-and-household-estimates-for-wales/index.html>

instance, grew by 851,000, but the North East's by only 10,000. In 2011 the Royal Commission on Environmental Pollution's *Demographic Change and the Environment* report⁷ concluded that 'it is not the total size of the UK population which is the problem: it is how and where people choose to live which presents the main environmental challenge from demographic change'.

The nation also faces major environmental challenges. The Royal Commission on Environmental Pollution's report and the Foresight *Land Use Futures* report⁸ identified a range of important resource use constraints which cannot easily be resolved, for example water supply in the South East.

In the medium and longer term, the Foresight programme and the Intergovernmental Panel on Climate Change have identified climate change as the major strategic threat, particularly the impact of increased temperatures and sea level rise on some key cities and on our highest-grade agricultural land. The global impact of climate change and resource depletion will have major spatial implications as we try to grapple with food and energy security. Redistributing our population to avoid flood risk areas or water shortages is an increasingly urgent imperative and requires policy-makers to think about England at a national and strategic scale. There is also an urgent imperative, with potentially a major benefit in terms of our economic development, to make clear decisions about the future of our national energy, transport and infrastructure priorities, so that business can properly plan with certainty for future investment.

All this brings into focus a crucial question: is the distribution and management of England's towns, cities and countryside fit to face the challenges of the future?

4 England's four geographies

The Lie of the Land! draws together existing evidence on just a few of the major challenges facing the nation. It sets out these challenges in the context of four 'geographies' of England:

- England's **environmental geography** will be dominated by the impacts of climate change. *The Lie of the Land!* makes clear that the impacts of climate change are by far the greatest threats facing the nation, and that we have lost critical institutions that could have both carried out crucial analysis and acted to build a resilient future. The latest science makes clear that we have already exceeded the high-emission scenarios on which we have been planning for the future. As a result, decisions to flood-defend the east coast of England – where the nation's best agricultural land is concentrated – must be made now, and such defences will have to be built to much higher standards than had been anticipated.

⁷ *Demographic Change and the Environment*. Cm 8001. Twenty-ninth Report of the Royal Commission on Environmental Pollution. TSO, Feb. 2011. <http://www.official-documents.gov.uk/document/cm80/8001/8001.pdf>

⁸ *Land Use Futures: Making the Most of Land in the 21st Century*. Foresight. Government Office for Science, London, 2010. <http://www.bis.gov.uk/foresight/our-work/projects/published-projects/land-use-futures/reports-and-publications>

- The country's **economic geography** shows a nation starkly divided in terms of long-term performance, despite rhetoric about rebalancing the economy from successive governments. Cuts to public investment have also had spatially differing impacts, with many Northern economies disproportionately affected. At the same time, technological change offers major opportunities to rebalance our economy and huge potential for regional economies to contribute to national growth. Making the most of such opportunities requires a strategic and integrated approach to areas like transport infrastructure and housing growth.
- Our **social geography** is equally divided, with growing inequality that has a distinctive spatial aspect. While there is entrenched poverty in parts of the South East, these areas are set in a 'sea of affluence', whereas in Northern and Western England the opposite is often the case. There is a risk that government policies on benefit reform, public sector pay and housing will intensify this inequality. The housing crisis, driven by unprecedented demographic change, will have a growing negative impact on the lives of millions of England's citizens.
- England's **political geography** is characterised by fragmentation, with government withdrawing from regional policy, and a localised system evolving supported by a mosaic of non-statutory bodies such as Local Enterprise Partnerships (LEPs) and Local Nature Partnerships. This institutional change has yet to bed down, but *The Lie of the Land!* makes clear that bodies like LEPs do not have the remit to deal with large-scale spatial challenges either inside or between the English regions. The report highlights the longstanding failure by all governments to address public legitimacy and consent in the way that we organise England.

The conclusion to be drawn from overlaying these four geographies of England is stark: put simply, we cannot go on focusing development and growth in areas of greatest resource constraint and climate vulnerability. We are engineering a nation based on the false assumption that following past market trends is both environmentally sustainable and a sound basis for understanding future economic change. It is not clear whether gradual decline or radical tipping points will characterise the future of some of our most vulnerable towns and cities, but building resilience is now the key priority.

5 Creating foundations for solutions

The Lie of the Land! begins to offer the foundations for solutions, as summarised below:

- First, we must rebuild our understanding of England in the wake of the current Government's abolition of key institutions such as the Royal Commission on Environmental Pollution.
- The nation needs to think about the country as a whole again, providing certainty about what goes where and thinking over the very long term – at least 50 to 100 years.

- There needs to be a settled understanding of the value of regulation in securing sustainable development, including the benefits of long-term certainty for investment. Responding solely to market demand will not build a sustainable future when that demand is focused on unsuitable places and activities.
- A national plan is one expression of such thinking, but we also need national institutions, such as a Ministry of Sustainable Development, and democratic regional bodies to effect detailed delivery. For example, while the most vulnerable part of England's coastline, from the Humber to the Thames, is overseen by one 'region' of the Environment Agency, on the planning front this area is subject to 30 planning authorities with no joint strategic approach.
- Finally, we must ensure that such bodies are democratic and based on clear citizen rights.

6 Conclusion

England is facing an intensifying set of challenges which require multi-faceted solutions at differing geographic scales. **The lack of a comprehensive planning framework to deal with issues across local authority and regional boundaries threatens the nation's capacity to deal with 'environmental shocks' and, at the same time, threatens to reduce economic efficiency and exacerbate social inequality.**

England in 2012 – unlike Scotland and Wales – has no government department, or agency, charged with addressing acute strategic, or 'spatial', problems across the country. A direct result is that England's future is much more uncertain than it needs to be.

As pointed out in the Executive Summary of the Foresight *Land Use Futures* report, **'Without significant policy changes, the drivers of change will interact to create growing tensions and conflict between sectors, with serious implications for the UK's wellbeing and prosperity.'** The questions raised by the Foresight report and by the Royal Commission on Environmental Pollution's *Demographic Change and the Environment* report have gone unanswered, and institutional changes have drastically diminished the capacity of England to organise itself effectively.

However, solutions to these problems are readily available, but they require a significant culture change in ambition and greater collaboration between sectors and among government departments. The culture of thinking spatially about our nation is the first step to rebuilding our national organisational capacity.

Uncertainty about national and international pressures is often used to justify the argument that long-term planning is impossible. In fact, the opposite is true: long-term strategies which acknowledge the need for the flexible adaptation of responses is the only way to manage change. The structures by which we plan should be designed not to achieve an end-state vision, but as a process of understanding and adapting to change within the key guiding principles of sustainable development.

The choice of whether to engage with our strategic future is a test of our collective commitment to future generations. Ultimately it is also a test of our democracy itself.

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Published by the Town and Country Planning Association
October 2012

Cover picture: 'Greenhouse Britain: Losing Ground, Gaining Wisdom'. Helen Mayer Harrison and
Newton Harrison, 2006. <http://greenhousebritain.greenmuseum.org>



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