KRIHS - UCL joint seminar on

National Urban Policy in Transition: Historical Development and Future Direction in UK and Republic of Korea

KRIHS, Anyang, Gyeonggi, Korea, 10. Feb. 2011

Seminar Program

14:00-14:10: Welcome address

14:10-16:00: Presentation

1. A History of British Urban Policy Since 1947
   • Nicholas A PHELPS, Professor, University College London

2. Governance Structure of British Urban Planning in Retrospection
   • Claudio de MAGALHAES, Associate Professor, University College London

   • Jae Gil PARK, Senior Research Fellow, KRIHS

4. Urban Development Policy in a Transitional Period in Korea
   • Wang Geun LEE, Research Fellow, KRIHS

16:00 - 16:20: Coffee Break

16:20- 17:30: Discussion

Chair
• Hyun Sik KIM, Senior Research Fellow, KRIHS

Discussants
• Hyun Soo, Kim, Professor, Dankook University
• Woongkyoo Bae, Associate Professor, Chung-Ang University
• Seong Soo, Kim, Associate Researcher, KRIHS
• Seong Ryong Yoo, Manager, Ministry of Land, Transport and Maritime Affairs
INTRODUCTION: URBAN AND RURAL, NORTH AND SOUTH
THE POST-WAR KEYNESIAN WELFARE STATE (1947-1960s)
MUNICIPAL SOCIALISM (1970s-1980s)
NEO-LIBERAL DEREGULATION (1980s-1990s)
NEW LABOUR CENTRALISED-LOCALISM (1990s-2010)
The Coalition’s ‘BIG SOCIETY’ LOCALISM (2010- present)
CONCLUSION
REFERENCES
(여백)
INTRODUCTION: URBAN AND RURAL, NORTH AND SOUTH

The content and aims of urban policy, the recurring issues facing urban policy, its paradoxical and unintended effects and ultimately its failure in the UK must be seen in a context of deep-rooted popular and organised political and bureaucratic anti-urban sentiment. In the Victorian era, these sentiments could not hinder the way in which the great wealth produced and accumulating in industrial cities could be used to drive a period of municipal improvement in the largest of British cities. Since that time, the economy, society and political life of cities – the main target of urban policy – has been contained as effectively as their physical development. Thus, a wide range of urban policies, based on various understandings of the nature of the urban problem in Britain and the means of addressing it have been apparent since the Second World War. I summarise these in terms of five eras (see Figure 1) and discuss each in turn in subsequent sections of this paper. In one review of British urban policy it has been argued that ‘a whole range of aspects of consumption, housing, education, shopping, transport, training and so on, remain insufficient for many people living in cities ... [in a] society where suburbanites and those in smaller towns and cities of the South of England have experienced large material gains through house-price increases and tax changes’ (Lawless, 1989: 20). This is as good a quotation as any to encapsulate the interconnected nature of urban problems with developments in essentially rural settlement space in post-war Britain. Moreover, the ‘urban dimension of poverty is ... confounded with the regional dimension ... defined as the divide between North and South’ (Robson, 1988: 3).

Without reform of the anti-urban orientation of the planning system and policies that have somehow become unchallengeable and regional disparities in economic performance and associated development pressure there seems little chance of specifically urban policy effecting a substantial and sustained social, economic and physical regeneration of many of those most cities most in need of it within Britain.

More specifically then weaknesses of urban policy flow from a context in which:

- A planning system that has been centred on urban containment (Hall et al, 1973) and has thus constrained or hindered cities compared to the rural (defined less in agrarian terms than everything that isn’t a city – i.e. village, market towns and suburbs). The very name of the initial post-war planning legislation – The Town and Country Planning Act of 1947 clearly implies the separation of the urban from the rural and yet, interurban locations – precisely those that the planning system has tried to prevent have flourished in the South East of England as urban sprawl has been scattered far and wide with housing, employment and retail accreted onto smaller towns and villages.

- A system of local government finance in which there is minimal fiscal autonomy from central government. With a few short-lived exceptions, the post-war era has been characterised by one of the gradual loss of local government resources. Once formerly significant landowners in their own right, austerity measures in the 1980s saw local authorities sell off their land holdings and properties to raise money to make good shortfalls in central government money.
Central government has also kept a tight rein on what local government can keep and indeed has extended its powers in terms of capping rates that local governments can change to business and residents.

- This planning system has until very recently been exclusively oriented to questions of land-use and physical development and therefore has had little or no purchase on or coordination with other areas of policy such as education and training. As a result the symptoms of physical decline have tended to be treated rather than some of their likely causes rather than economic or social terms. Thus cities continue to concentrate populations with low levels of skills.
- Persistent ‘north-south’ regional differences across Britain (Figures 2 and 3). There has long been a north-south divide in the economic fortunes of urban areas. While the problems of cities of the north and midlands have been linked to this fundamentally uneven pattern of development, urban policy has itself exacerbated this north south divide. The most successful new towns have been in the greater South East picking up high-tech manufacturing etc. This poses the question of whether urban policy has been overly concerned with particular types of problem. Recently for example significant problems are emerging in the Seaside towns and cities in the South east of England. AS yet there is little understanding of how to address the problems of these settlements that do not correspond to the large urban centres of the north and midlands (Phelps, 2011).
### Figure 1: Summary of five eras of British Urban Policy

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Conception of urban</td>
<td>Ad hoc, urban nature of problem of little relevance</td>
<td>Relatively coherent, urban decline stressed in 1977 White Paper</td>
<td>Vague, area of dereliction, locus of social and political unrest</td>
<td>Clear, need for renaissance city-regions and their inner areas</td>
<td>Neighbourhood, need for local solutions</td>
</tr>
<tr>
<td>Theoretical approach</td>
<td>Mix of laissez-faire liberalism and central direction with private sector support</td>
<td>Structural, state partnership wit private and voluntary sector</td>
<td>Neo-liberalism underwritten by state. Support for private sector and for ‘automobility’.</td>
<td>Third-way politics: state, private sector and voluntary sector each to share burden</td>
<td>Big society, adaptation of third way politics to embrace local</td>
</tr>
<tr>
<td>Nature of problem</td>
<td>Derelict state of British cities</td>
<td>Long-term economic with concentrated effects in cities</td>
<td>Physical and social dereliction, maladjusted population especially in inner cities</td>
<td>Multifaceted, emphasis on poor education and skills levels,</td>
<td>Inadequate decentralisation of decision making. Release potential of local community and voluntary sector</td>
</tr>
<tr>
<td>Explanation</td>
<td>Obsolescence of urban fabric, maldistribution of people and jobs</td>
<td>Deindustrialisation in cities and urban-rural shift</td>
<td>Flight of capital and population, too much state intervention</td>
<td>Rediscovery of cities as drivers of economy in knowledge based economy</td>
<td>Crowding out of private sector and lack of local responsiveness of local government</td>
</tr>
<tr>
<td>Aim of policy</td>
<td>Modernisation</td>
<td>Reversal of industrial decline and urban-rural shift</td>
<td>Attract capital, create good investment climate, control unrest, reduce role of local government</td>
<td>Create good investment climate (including design in cities), drive improved efficiency of public sector service provision</td>
<td>Stimulate local policy innovation and shift burden of urban problems to local scale in context of central budget constraints</td>
</tr>
<tr>
<td>Mechanisms</td>
<td>Slum clearance and comprehensive redevelopment,</td>
<td>Partnerships, area-based policies with inadequate coordination with</td>
<td>Private sector (especially property development sector) to take lead,</td>
<td>Public-private partnership, strategic local partnerships, new</td>
<td>Local Enterprise Partnerships</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
<td>Public Private Partnerships</td>
<td>Economic and Soft Planning Spaces</td>
<td>Monitoring</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Resourcing</td>
<td>Variable and unplanned</td>
<td>Small compared to acknowledged scale of problem</td>
<td>Small compared to problems</td>
<td>Tiny compared to scale of problems</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>Local with some national direction, new town corporations</td>
<td>Corporate management, co-operation between central and local government</td>
<td>Competition for central government recognition and resources</td>
<td>Improved means for local government to raise finance.</td>
<td></td>
</tr>
<tr>
<td>Political support</td>
<td>Consensual but with partisan attitudes toward private sector</td>
<td>Largely consensual, with central state coming under question</td>
<td>Divided, affected by central-local government conflicts and ideological differences in explanation of urban problems</td>
<td>Agreed dislike of lack of local autonomy and audit culture among local authorities</td>
<td>Mixed, fragile consensus that all must do their bit in time of austerity</td>
</tr>
<tr>
<td>Monitoring</td>
<td>Very limited</td>
<td>Limited</td>
<td>Considerable concerning value for money issues.</td>
<td>Considerable, central government targets and performance league-tables</td>
<td>Unknown, retention of central government targets and league tables?</td>
</tr>
</tbody>
</table>

Sources: Adapted from Atkinson and Moon, Punter (2010) with own additions.
Figure 2 Index of Multiple deprivation scores

Source: ODPM (2006)

Figure 3 Continuing divergence in economic performance of English regions

Source: Centre for Cities (2010)

- The continued if not increased primacy of the London economy within Britain. After a period when population and industry was leaving the capital its fortunes have reversed dramatically with financial sector liberalisation and large scale migration from Europe. Thus, the British economy now appears even more reliant on the global city economic function of London (see Figure 4). London’s performance in this respect is different from those of the large metropolitan city-regions of the north and midlands and is supported by the generally buoyant performance in population and economic terms of smaller towns and cities as a result of the ‘urban-rural shift’ in population, employment and new business formation.
Urban policy reflects the changing social construction of urban problems (Cochrane, 2007) yet this social construction of the urban problem has taken place within even more powerful social construction of town and country that has existed in popular and political discourse and directly shapes territorial and other planning. This is a social construction of the urban that is always constraining the true value of urbanity in Britain compared to Europe, where the small towns and suburbs are a second best and an approach to the city, the desired place of residence of people (Couch et al, 2008).

Drawing upon Figure 1, across the time period since the Second World War to the present day there are a number of continuities in urban policy that can be identified:

- Area-based nature of urban policy: ‘The main distinctive and shared feature of the various programs labelled urban policy has been that they have had a territorial or area focus’ (Cochrane, 2007: 3). When added to the fact that the historic cities of Britain have been poorly served by planning legislation and the lack of any meaningful redrawing of the local government boundaries we see that policy which acts on the urban is likely to fail when that urban area has been frozen and lacks any functional elasticity. It is always acting upon something which has very limited possibilities for growth and transformation.

- A dominant emphasis upon physical regeneration: Possibly as a consequence of the above, much of what has been done to towns and cities in the name of urban policy has related to issues of physical development and land-use. This might be expected given that a portion of the urban fabric is always in need of repair and redevelopment at any given time. There is alarm though at the decreasing life of physical regeneration represented by the likes of comprehensive redevelopment schemes of the 1950s and 1960s. One wonders whether the new dense private residential development in central cities will also have a short life.

- A quest to coordinate urban policy: a long-standing desire to better coordinate or manage a large number of initiatives that compose urban policy. This desire is manifest in rhetoric of ‘coordination’, ‘partnership working’, and growth in professionalism of public sector
management.

- Urban policy drawing on some notion of community: Initially the post-war construction of the welfare state and the planning system could draw upon the national interest. As this sense of the national interest dissolved, so the breakdown of local community is seen as the source of problems and the creation of a sense of local community is seen as a solution. However, ‘The management of “communities”, whether by themselves or through state professionals is complex and uncertain and it is important not to be seduced by the warm, almost cosy connotations of the term’ (Cochrane, 2007: 63). Not least because, ‘Community remains a peculiar place to govern because people consistently refuse to “know their place”’ (Clarke 2002: 1, quoted in Cochrane 2007: 67).
- The failure to redress problems manifested in urban areas: Urban policies have not been successful across this time period (Cochrane 2007: 4).

The discontinuities are represented by changes in the political complexion of central government and in particular those that have been based on strong ideologies or have been borne of the expediencies of crisis

- Contrasts between Keynesian and pro-market/neoliberal urban policy. The most notable contrast here is between the welfare state, constructed by post-war labour governments in the immediate post-war era, and the arrival of the Margaret Thatcher Conservative governments from 1979. New Labour governments represented little change from the preceding Conservative governments. Most recently, it as been suggested that the agenda of the Conservative-Liberal Democrat coalition government of 2010 is radical, if only borne out of necessity.
- Shift from municipal managerialism to municipal entrepreneurialism: Despite the context in which central government commands and dispenses the vast majority of funds for urban policy, the economic climate since the 1970s has seen experimentation with alternatives to central government policy and the rise of funding sources at the EU scale. These have meant that local governments have become more involved in initiatives of local economic strategy making (Sellgren, 1991). To date, this has been constrained due to the lack of fiscal autonomy of local governments and has yet to herald a return to the sorts of municipal agendas of the Victorian era which, although involving excessive competition, are looked back on fondly for the legacy they bequeathed.

Some of these issues are summarised in Figure 1 which gives an overview of the evolution of urban policy in Britain from the immediate post-war era until the recent Conservative-Liberal Democrat coalition government.

**THE POST-WAR KEYNESIAN WELFARE STATE (1947-1960s)**

The radical post-war Labour government legislation which created the welfare state in Britain
evolved out of and could draw on a very powerful sense of community at the national level – a consensus on the need for a better society and a modernised Britain. For some time, planning of all sorts - sectoral and land-use planning - could draw on this reservoir of goodwill and agreement on the common interest which carried over from the war effort in which the nation was united in defeating a common enemy in Nazi fascism (Cullingworth, 1975).

Initially then, urban policy was more related to the generalities of the welfare state including the building of social housing and slum clearance and the comprehensive redevelopment of inner urban areas in which poor conditions were known to exist and which had also been the subject of war damage. This was urban policy as general societal improvement and modernisation of the physical fabric of cities and the housing they contained was a key cornerstone to this.

The sorts of powers assumed by government during the war promoted planning of all sorts to a prominent position with important and enduring policy ideas. The Barlow Commission for example set the problems of the industrial cities of the north and midlands firmly in the context of the need to somehow lessen the dominance of London – something that has come on and off the agenda ever since. However, the full implications of many of the war time discussions about the specifically urban qualities of this new post-war modernised Britain actually only began to press themselves upon politicians by the 1960s once the welfare state and more immediate needs had begun to be addressed. By the 1960s attention had turned to the condition of urban areas and the need for specifically urban policies but also remained associated with key questions of uneven development.

By 1962, 345 towns and cities in England and Wales had plans for comprehensive redevelopment (Gyford, 1985: 6). However, the limits of physical redevelopment of slum clearance and comprehensive redevelopment were becoming apparent. The merits of such schemes were beginning to be questioned and were also meeting with popular resistance. This process ‘of comprehensive redevelopment, whether for housing or for town centre schemes, all too often became associated with the enforced and resented destruction of familiar places and of established local patterns of employment, recreation, friendship and neighbourliness’ (Gyford, 1985: 7). The relocation of population was indeed considerable with up to 100,000 houses being cleared in the peak years of the 1950s (Robson, 1988: 18).

It should be remembered that some of the most dramatic re-workings of urban space were achieved because of local political entrepreneurs of left and right political persuasion. Controversial leader of Newcastle city council, T. Dan Smith is credited for instance as one of the ‘men of the sixties, entrepreneurial figures who helped to fashion a new Britain of concrete town centres and tower blocks’ (Fitzwalter and Taylor, 1981: 6, quoted in Gyford, 1985: 6). In Conservative controlled and ostensibly suburban Croydon in South London local politicians and businessmen were opportunistic in the massive refashioning of the central area as a new location for office activities (Saunders, 1979) that in some instances were being forced out of central London.

The problem was other policies were impacting upon the socio-economic condition of northern and midlands cities in unanticipated ways. Most notably new town policy and both public and private
development of industrial estates - despite being partly predicated on decongesting London and dispersing economic activity in Britain actually continued to favour the South East of England (Phelps, 2009). Regional policy’s ‘carrot’ of incentivising footloose industry to move to the midlands and north was in some respects so successful it transformed the nature of the regional problem from one of overspecialisation in declining industries to one of overspecialisation in the routine, low value added parts of the production process (Massey, 1979). The ‘stick’ of forcing industry migration through planning restrictions on factory and office expansions in London had promoted short-distance decentralisation to the south East of England. Together then these twin aspects of regional policy had exacerbated and ingrained differences in the economic complexion of north and south in Britain. Other policies - such as government spending on science and technology and military research were implicitly spatial in ways which further enhanced the South East of England - anchoring a ‘Western Sunrise’ (Hall et al, 1986) arc of new high tech employment. But more specifically than this, they had promoted decentralisation of modern fast growing economic activities to entirely new urban, or else suburban and rural market town locations, rather than large historic cities.

By the 1960s elements of the post-war consensus had begun to break down to the extent that this consensus itself was openly being questioned as the proximate cause of inner city problems (Lawless, 1989: 14). Thus the Labour governments of the 1960s instigated an Urban Programme in 1969. Running in its original format it funded urban policy to the tune of roughly £20 million per annum - a level well below the demand emanating from local authorities who were asked to promote projects to central government (Lawless, 1989: 6). During these years the Urban Programme money went almost exclusively towards social issues. Later it would be reoriented towards economic and environmental concerns.

The New Urban Programme rested on a fuller and more cohesive interpretation of the urban problems of Britain in a 1977 White Paper ... It created a ‘pyramid of preference’ in terms of urban areas to be targeted for assistance. At the bottom, 19 ‘other’ districts. In the middle, 15 programme districts. At the top, just 7 Programme districts where a partnership between central government and local government, health authorities, police and voluntary groups would drive a greater coordination of policies impacting on urban areas. The partnership districts embody that continuity in the search for coordination and integration evident in the history of urban policy in Britain but they lacked executive power and sat uncomfortably with local government with its desire not to favour one area over another. With £125m in 1979/80 across these authorities, funding at the tail end of the Labour government was modest still in comparison to the size of the problem.

MUNICIPAL SOCIALISM (1970s-1980s)

The early post-war Labour governments concentrated on the creation of the welfare state and physical reconstruction which meant urban policy was a product of these pressures. Just as significantly, the roots of socialism in local municipal reform which saw the ‘gas and water
socialism’ of the Victorian era coalesce around issues of improvements in living conditions and urban services and a generally confident and increased role for reasonably well resourced local government actually gradually became subordinated to central government control (Gyford, 1985). Out of this were sewn the seeds of discontent which blossomed into local socialism rooted notably in urban and particularly inner urban settings of major cities.

By 1984 22 local authorities had set up working groups to consider women’s issues with several of these also having established similar groups to examine race relations (Gyford, 1985: 16) and in this way local socialism brought issues hitherto absent or marginalised in local government circles ... issues to do with gender, ethnicity and also economic development and the environment (Gyford, 1985).

12 Community Development Projects (CDPs) and 3 Inner Area Studies were set up in 1969 following what is commonly regarded as the origin of community action in Britain in Notting Hill London two years earlier. Perhaps the most notable thing about these CDPs is that they began to question the basis of urban and other policy making as being oriented towards the victims and the symptoms of urban problems rather than their causes. In the context of the poor condition of the UK economy at the time, it is no surprise that these projects began to stress the central place of the local economy to people’s life chances and social conditions in inner cities. While a wider interest in local economic development had been apparent across the UK as local authorities had begun to set up economic development units and departments (Sellgren, 1991) during the 1970s, it found its ultimate expression in these local socialist experiments. The two cases that stand out are South Yorkshire County Council and Sheffield City Council and the Greater London Council. South Yorkshire, it was quipped, was the ‘Socialist Republic of South Yorkshire’ and within it the key city of Sheffield with its steel and related industries had developed economic strategies that went beyond the mere promotion of new industrial and commercial development to replace jobs being lost from these declining traditional industries but also to consider the setting up of municipal and cooperative enterprises too. A radical socialist local government came into power in Sheffield in 1980 and an Employment department was set up in Sheffield City Council in 1981. This department’s ethos was distinctly hostile to irresponsible mobile private industry and instead pro-labour and pro-trade unions. Early policies centred on training initiatives and the enforcement of standards in work contracts put out to tender by the City Council. The City Council’s own direct labour organisation increased in size to the mid 1980s. However, the severity of the recession of the 1980s coupled with a financial squeeze from central government saw this approach give way to a broader based civic partnership involving political parties of complexions, universities and the private sector. In this respect it pre-figured the emphasis on partnership working favoured by the New Labour Governments over a decade later. Initially, this partnership working resulted in a series of initiatives and new vehicles to promote enterprise. The Sheffield Economic Regeneration Committee was established in 1986, with representatives from the city council, the business community, trade unions, higher education and regional staff of government departments. Sheffield Partnerships Limited was formed in 1987, with representatives of the city council, chambers of
trade and commerce and the Cutlers Company, was set up to promote the city and its business sector. A private sector-led investment bank - Hallamshire Investments Limited - was set up in 1988 with leading local businessmen and the City Treasurer as directors (Seyd, 1990). Later, it seems clear that Sheffield’s radicalism transformed itself more completely into a pragmatic pro-market agenda as the Council and these organisations sought to compete for mobile investments such as the World Student Games, allow out-of-town retail developments (such as Meadowhall shopping centre) and even funding for a UDC.

In London, the GLC had begun to establish a range of principles in its strategy-making which culminated in the London Manufacturing Strategy. These were: an aim to achieve full employment of the population in socially useful activities to which end the GLC itself would mobilise its purchasing power and influence to underpin the order books of local companies; an interest in strategies that sought to develop human-centred technological innovation with a view to underpinning the competitive basis of London industry; promoting the development of skills in the capital partly through the increased participation of women and ethnic minorities in the labour market; and a more participatory approach to local planning and policy making.

At the time, these innovations were often portrayed negatively in the media and doubtless misunderstood by much of the population at large. In retrospect, some of these innovations have become common place if not common sense and indeed enshrined and protected in national legislation or else have come to be regarded as planning and economic development orthodoxies as Gyford (1985: 108) predicted. However, during the 1980s ‘The frustration of urban policy ... reflected broader frustrations arising from government’s inability to regulate the social consequences of the international economy. As the scale and concentration of economic organisation in that economy grew to dwarf the power of any single government, so the liberal paradigm of social policy ceased to reflect reality. Moreover, the sinking liberal paradigm dragged down with it a competing, socialist, paradigm’ (Gyford, 1985: 111).

NEO-LIBERAL DEREGULATION (1980s-1990s)

The Conservative governments of 1979 through to 1997 embarked on a series of measures including urban policy that were every bit as radical as those of the post-war Labour government in establishing the welfare state and later in attempting a thorough modernisation of the British urban fabric and infrastructure. However this radicalism addressed itself to dismantling much of the welfare state apparatus and associated policy measures and instruments that had been built up with the view that these had become self-serving and slow and inappropriate vehicles for delivering urban regeneration. While ‘one nation Toryism’ persisted in the continued concern for the plight of cities which had worsened, it was outweighed by the dominant neoliberal doctrine of the Conservative governments in this era. This centred on promoting and establishing market mechanisms wherever possible and notably through a dismantling of what had become an expanded set of state-owned industries since the 1960s and further restrictions on the autonomy of local government.
Curiously, the Conservative government continued with the Labour government’s newly enhanced Urban Programme (UP). Why, one might ask? The implication appears to be that the UP was only modestly funded and largely a bureaucratic irrelevancy and not a direct challenge to central government ideology or budget constraints. Another part of the answer comes in the fact that while continuing with the modest funding directed towards urban areas via the UP Conservative central government embarked on other policies that cut expenditure in urban areas more so. It cut £300m out of rate support grant in 1979/80 alone. While it also sought to create uniform levels of expenditure through the block grant transferred to local government with penalties for authorities exceeding standardised expenditures. Predictably these penalties amounting to £200m by 1983/4 applied predominantly to Labour Party controlled urban authorities. Eventually, rates were to be replaced by a Council tax system based on bands of property value whereby all residents in a Local government area made some contribution to local revenue.

One of the most damaging acts of the Conservative governments of the 1980s and 1990s was the abolition of the metropolitan authorities which centred on some of Britain’s largest cities. And since this time, with the exception of the Greater London Authority reinstated by the New Labour Government, there have been no adequate vehicles for promoting urban policy in a way that integrates cities and their suburban and rural hinterlands. Town and country, it would seem were to remain separate still.

**Garden Festivals**

Perhaps the most obviously shallow instruments of urban policy during this period were the Garden Festivals at Liverpool, Stoke, Glasgow, Gateshead and Ebbw Vale. The idea of Garden Festivals to regenerate derelict areas had been gleaned from the German experience. In Britain these experiments were widely criticised for lacking any real policy substance in terms of addressing local social, economic and housing needs. Relatively successful in attracting visitors and partially successful in marketing these areas or urban dereliction to the property development industry they mark a continuity in urban policy - of falling back on physical development as economic and social regeneration.

**Enterprise Zones**

The neoliberal doctrine of the Conservative governments of this era saw land-use planning and local government bureaucracy itself as part of a problem of the public sector ‘crowding-out’ private sector enterprise, burdening it with additional costs. The proximate origin of some of these ideas in urban policy comes in the thought-experiments of Sir Peter Hall and colleagues. Long concerned with the efficacy of planning and whether its effects could be distinguished at all from the counterfactual case of no planning (Banham, 1969), Hall looked to East Asia and Hong Kong and Singapore in particular for examples of how a measure of deregulated planning or minimal government might stimulate the urban economy. These ideas were enthusiastically embraced by the Conservative governments in the form of Enterprise Zones (Hall, 1982).
EZs were established as a time-limited measure in most of the major cities of the UK during the 1980s primarily on derelict land though not always addressing the inner city and hence their wider impact on inner cities can be seen as ambiguous in some cases. In all, 24 EZs were designated and a number of these could not be described as urban in location. Despite the large sums of money and often a key role for the public sector in developing and promoting these exercises in deregulated space for private enterprise, in detail, the record of EZs is mixed - with a large proportions of existing businesses boundary hopping into EZs from nearby, with retailing warehousing taking up much of the space in a way that was unintended. They also created something of a dual property market in some settings. Nevertheless, between 1981 and 1986 EZs added 1.5 million square meters of new floor space, and although not all were urban in location this is something that can hardly be ignored in terms of the renewal of development land and premises for new business requirements (Robson, 1988). They also created 13,000 net new jobs (Lawless, 1989: 72) and were important in modernisation via a demonstration effect of attracting inward investment (Potter and Moore, 2000)

**Urban Development Corporations**

Alongside EZs came the establishment of Urban Development Corporations (UDCs) which drew on the same logic but were more controversial in usurping the planning powers of local government in the name of urban policy. Initiated under the Local Government Planning and Land Act (1980) they were charged with securing ‘the regeneration of its area, by bringing land and buildings into effective use, encouraging the development of existing and new industry and commerce’ (quoted in Imrie and Thomas, 1999: 4). They were primarily geared toward easing the ‘planning blight’ surrounding derelict areas, in doing so overturning broader based regeneration agendas addressing social, economic and physical decline in favour of explicitly physical regeneration and property-led solutions. The areas covered by UDCs and the grant aid they absorbed varied considerably (see Figure 5). These UDCs had significant effects again in terms of encouraging the mobility of industry out of the city

<table>
<thead>
<tr>
<th>UDC</th>
<th>Size (hectares)</th>
<th>Grant aid (£ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Birmingham Heartlands</td>
<td>1,000</td>
<td>1,860.3</td>
</tr>
<tr>
<td>Black Country</td>
<td>2,598</td>
<td>385.3</td>
</tr>
<tr>
<td>Bristol</td>
<td>420</td>
<td>357.7</td>
</tr>
<tr>
<td>Cardiff Bay</td>
<td>1,093</td>
<td>519.7c</td>
</tr>
<tr>
<td>Central Manchester</td>
<td>187</td>
<td>350.5</td>
</tr>
<tr>
<td>Leeds</td>
<td>540</td>
<td>223.7</td>
</tr>
<tr>
<td>London</td>
<td>2,150</td>
<td>339.3</td>
</tr>
<tr>
<td>Merseyside</td>
<td>350</td>
<td>78.9</td>
</tr>
<tr>
<td>Plymouth</td>
<td>70</td>
<td>101.0</td>
</tr>
</tbody>
</table>
Thus, while spending £380m and leveraging over £2bn in private sector investment between 1981 and 1986/7, the record of a UDC like the LDDC in providing jobs and housing for local people was depressingly poor while even infrastructure delivery was also chaotic (Lawless, 1989: 85). Moreover, the ‘miracle’ of London’s Docklands is less of one when one considers the advantages of the central location proximate to the existing financial centre of London and the major growth that occurred in that sector after financial service liberalisation in the 1980s. As Brian Robson argues, ‘The “miracle” of the Docklands is miraculous only because it has taken so long to materialize. After the effective closure of the Docks to commercial traffic, the area stood undeveloped for a decade while the respective local authorities disagreed about the planning framework within which development might occur’ (Robson, 1988: 125-126).

After being instigated in 1982, UDCs had leveraged private investment at a ratio of 1:4.5 by 1986. As such they can be considered highly successful in narrow terms. Unlike the New Town Corporations to which they are often compared there was no underlying ethos of wider concern for a balanced community and service provision, nor it seems a desire to turn a profit from the land assembly and resale that the New Towns originally did. Though not dissimilar to the New Town Corporations they were controversial vehicles for promoting new large scale (re)development and enjoyed nothing like the popular and political support partly because of the vacuum of social content at their heart. The Docklands Joint Committee of five London boroughs preferred plan involved an emphasis on housing of which social housing was to account for half, and the development of new industrial employment. Instead, LDDC achieved only a rate of 8% of all residential development being social housing despite its aspiration for 25% (Robson, 1988: 126). Both EZs and UDCs appear to have made their contribution to an accelerating the crowding-out of manufacturing from urban areas... something is now lamented in terms of the narrow consumption-based identity of the city and the polarisation of income that Sassen (2000) sees as something most advanced in world cities.

The Conservative governments of the 1980s had a strong emphasis on addressing the economic dimensions of urban problems but in a manner which was widely criticised for being overly physical in its treatment of urban problems (Turok, 1992). The emphasis on physical regeneration through reclamation and servicing of land for development and indeed development of new industrial and office property is apparent in the major initiatives of EZs, garden Festivals and UDCs. But it was also made explicit in the enthusiasm for the experiment of designing out crime.

<table>
<thead>
<tr>
<th>Sheffield</th>
<th>900</th>
<th>82.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tecesside</td>
<td>4,858</td>
<td>55.7</td>
</tr>
<tr>
<td>Trafford park</td>
<td>1,267</td>
<td>39.7</td>
</tr>
<tr>
<td>Tyne and Wear</td>
<td>2,375</td>
<td>44.5</td>
</tr>
</tbody>
</table>

Source: Imrie and Thomas (1999: 14 and 18)
Designing-out crime

While major physical regeneration of land previously in use for employment was the preserve of the likes of the EZs, UDCs and Garden Festivals, physical regeneration of residential areas in inner cities in the 1980s was relatively modest. Instead ideas of designing-out crime promoted by Alice Coleman were seized upon enthusiastically as a relatively low-cost way of addressing inner city crime notably in major public housing complexes. Coleman’s (1985) ideas were based on the concept of defensible space and called for the retrofitting of large public sector housing estates to improve ‘defensible space’ properties, notably by demolishing walkways, underpasses and areas that could not be policed by residents themselves or which posed problems of access for the police force. The ideas have been criticised for amounting to little more than ‘environmental determinism’ regarding the causes of crime but nevertheless represented one strong example of the continuity apparent in urban policy in terms of the search for solutions to urban problems in physical terms.

NEW LABOUR CENTRALISED-LOCALISM (1990s-2010)

In some important respects, the emphasis on responding to economic imperatives in the New Labour approach represented continuity with the previous Conservative governments. Yet, New Labour was also less confrontational with respect to particular class interests in society and also had a greater commitment to the decentralisation and devolution of power than its predecessor Conservative governments. In particular, it styled itself as a break with previous political traditions by offering a distinctive ‘Third way’ politics involving an amalgam of democratic socialism and Liberal ideals through a partnership between government the private sector and civil society (Rydin and Thornley, 2002). New Labour came to power ‘with a commitment to regenerate Britain’s cities by recourse to social inclusion, neighbourhood renewal and community involvement’ (Imrie and Raco, 203: 4).

The era of New Labour governments actually consisted of ‘a bewildering array of overlapping policy initiatives; frequent changes in programmes, departmental names and responsibilities; and national and local schemes funded by a multiplicity of agencies’ (Punter, 2010: 3-4). An already complex picture of urban policy initiatives became even more complicated (see Figure 6).

Figure 6 Selected key elements of New Labour urban policy

- Social exclusion unit established (1997)
- New deal for Communities (10 yr, programme) (1998)
- Regional Development Agencies Act (1998)
- Towards an Urban Renaissance (The Urban Task Force) (1999)
- Public service Agreements, Business Improvement Districts (2000)
- Local Strategic Partnerships established (2001)
Aside from the sheer number and wide range of urban policy initiatives during the New Labour governments (which call into question old issues such as the depth and coordination of resources thrown at urban problems), the New Labour years were curious for their intense emphasis on public sector performance measurement. This appears to have counteracted some of the more positive aspects of urban policy. Such performance measurement certainly appears to have confounded any emphasis in urban policy on neighbourhoods: ‘new managerial practices that espouse rational solutions to urban policy problems have, paradoxically, reinforced the role of experts and expert knowledge, rather than in many instances, making policy making more responsive to community needs and aspirations’ (Imrie and Raco, 2010: 26). It may also have confounded aspects of the emphasis on improved design and provision of infrastructure in cities as the imperatives of new public-private financing initiatives have promoted development in locations determined by financial imperatives rather than concerns of the equitable distribution of services.

The New Labour era is therefore characterised as one of centralised localism where modest levels of decision-making autonomy and budgeting were granted to decentralised institutions, the bulk of whose activities was centred on the efficient administration of national schemes and levels of service.

**The Urban Task Force**

The Urban Task Force (UTF) aimed ‘to establish a vision for our cities, founded on the principles of design excellent, social wellbeing and environmental responsibility within appropriate delivery, fiscal and legal frameworks’ (UTF, 2005: 2, quoted in Punter 2010). The architect Lord Richard Rogers chaired this influential Task Force and gave a strong lead drawn from the experience of continental cities which focused on better designed, compact and connected cities (Punter, 2010: 4). Here the logic appears to run along the lines of: increasing urban density and thereby maximising land values - maximising land values allows greater social value to be captured in development - planning can harness the profitability ad equity in this and planning gain can fund an improvement in the quality of the public realm (Keith, 2008 cited in Punter, 2010: 4).

The UTF was praised for being overtly pro-urban, pro-city in the face of long-standing anti-urban sentiments in Britain. At the same time, however it did so while repeating the mantra of urban containment and protection of the countryside. It was also criticised for, and can certainly be seen as an overly physical interpretation and manifesto for urban policy. Many of the larger cities in Britain have seen positive effects in terms of improvements to the quality of public spaces. Perhaps the most celebrated example is of Trafalgar Square in London which has become a very popular
all-year-round public space instead of an inaccessible island surrounded by traffic and used once a year on new year’s eve!

The improvement in the quality of the public realm has in most instances been closely connected to economic and regeneration strategies that emphasise the city as a centre of consumption rather than production. The emphasis on a greater density and mix of uses within developments has been fuelled by something of a residential demand from younger single person households for city centre living. This nexus of new high rise residential development and enhanced public spaces in city centres has stimulated tourism and been closely connected to a return of retail and leisure industries to city centres. However, the thinness of the new economy of Britain’s cities connected this consumption aesthetic has been exposed in the current financial crisis.

One outcome from the UTF was the arrival of something of a national urban design framework and advisory bodies like CABE. However, CABE’s own assets of the quality of medium and high density residential developments hardly indicated much of a spur to greater quality urban design with volume house builders only aspiring to mediocre standards in their terms (Punter, 2010. However, a report by the government’s own Department for Communities and Local Government report noted how ‘Overall there have certainly been improvements in design, maintenance and management of streets, public spaces and especially parks, but the scale improvement has been modest and focused on city centres’ (Punter, 2010: 27).

The devolution agenda: from regions to city-regions

The New labour government came to power in 1997 with a major agenda of devolving power to the nations (Wales and Scotland) and regions of Britain. From the start this proved a difficult and asymmetrical project with intense demands for more powers to be given to separate elected ‘parliaments’ in Wales and Scotland emanating from these two nations but apathy towards the idea of regional elected assemblies across the English regions. The English regions could call upon no sense of collective identity since they were in fact administrative regions created during war-time.

The North East of England a relatively small region and geographically distinct with the strongest local desire for a degree of decision-making and spending autonomy among political and economic elites was seen as the ‘test case’ for regional devolution in England. But even here the public voted overwhelmingly against having an elected assembly to steer policy making. Instead, then, this regional agenda mutated into a city-regional agenda as New labour sought ways to ‘liberate’ the economic potential of sub-national territories (Harrison, 2011).

New Labour had a big city focus and an aspiration for British cities to acquire the qualities of continental European cities (Punter, 2010: 3). This led in turn to a variety of attempts to grant a greater degree of gravitas to major cities. The Core Cities group of northern and midlands industrial cities had formed to lobby central government on the needs of these large monocentric cities with major suburban hinterlands and proved influential. In rhetoric at least, New Labour central government policy pronouncements saw the term city-regions return to the table for the first time since the 1960s and the Maud Commission proposals to redraw local government
boundaries across Britain to create a new system of city-regions. In the absence of any appetite from the central New Labour government to impose any new boundaries, the reality of establishing meaningful mechanisms to foster cross boundary working on the basis of functional urban regions has proved ... Local government was empowered to establish Multi-Area Agreements through which. LAAs ‘set out the priorities for a local area agreed between central government and a local area and other key partners at the local level. LAAs simplify some central funding, help join up public services more effectively and allow greater flexibility for local solutions to local circumstances’. MAAs extend this principle bringing together ‘local public and private sector partners to coordinate action across a wide range of policy interventions’ (see: http://www.communities.gov.uk/localgovernment/performanceframeworkpartnerships).

During the 1980s and 1990s several instances of the pivotal role of the leadership provided by locally elected Mayors in urban regeneration schemes in European cities had been widely reported and the New Labour government was influenced by these stories when seeking to generate interest in locally elected Mayors as an alternative mode of local government decision making and working. The ceremonial position of Mayors in Britain contrasted with the European pattern. The idea was that, backed by a popular local mandate elected Mayors might galvanise local government bureaucracies and coordinate the strands of urban and other policy resources available from central government programmes to drive regeneration of British cities. The Local Government Act 2000 created the option for elected Mayors to assume many of the powers distributed across a leader and cabinet in local governments. Unfortunately, the idea met with almost no interest across Britain and even a degree of hostility with challenges to those local authorities seeking the option of granting executive power to an elected Mayor. As of 2010 there were only 12 elected Mayors.

These agendas have produced a very uneven and potentially anti-democratic patchwork of what some refer to as ‘new economic spaces’ or ‘soft spaces of planning’ (Allmendinger and Haughton, 2010). New Labour effectively licensed a search for, or experimentation with, bottom up new spaces of economic development at the sub-national and often sub-regional scale in the hope of liberating economic growth in the national economy. These new spaces and their corresponding institutional basis are variable. Some times, as in the case of the ‘Northern Way’, having been originally conceived at a regional scale and established by the regional institutions to be re-fashioned as networks of city-regions as New Labour ditched its failing regional agenda. In other instances, notably in the South East of England, the new spaces (such as South Hampshire, Crawley-Gatwick and the ‘Science Vale’ of South Oxfordshire) are potentially important in breaking the mould within a regional sea of anti-development and anti-economic development politics and in beginning to address the very thorny issue of exactly how to plan for growth in a context which does not have any major mono centric city-regions (Phelps, 2011).

The relationship between regions and city-regions or new economic spaces in the South East is therefore a differential one and harks back to the longstanding north-south divide in Britain. Arguably the larger urban areas in the South East of England have been very poorly served by
regional tier institutions and planning frameworks which have diluted investment across a swathe of affluent anti-development communities centred on suburbs, small towns and villages. Funding for infrastructure and the like has been too thinly spread to the extent that one might argue that greater competition for resources ought to be encouraged with the prospect of targeting to those areas wanting population and employment growth and the associated development. The problem is the opposite in the midlands and the north where, although the cities are of a scale to plan for larger city-regions the regions in which they sit are too numerous and too small - there has been excessive competition for resources and urban functions that ought logically to be spread across a single larger counter-weight region which seeks to disconnect itself from London.

The impression that is left then is that New Labour governments were long on rhetoric and short on any policy substance that truly sets this era apart. Indeed, as we shall see shortly, this is underlined by what appears in contrast to be the radicalism of a potentially weak coalition government.

THE COALITION’S ‘BIG SOCIETY’ LOCALISM (2010- present)

In the absence of a clear and viable majority for any of the main political parties in the 2010 general election, the Conservative and Liberal Democrat parties formed a coalition government whose agenda for the present term of office has been the ‘big society’. This continues New Labour’s emphasis on the third or voluntary sector but, in further empowering local communities and organisations to assume the ownership, organisation and running of both private and public sector activities, represents an attempt to enlarge the voluntary sector and civil society into a ‘big society’.

Recent discussion of the new Conservative-Liberal Coalition government has centred on the extent to which this fragile alliance borne out of the electorate’s indecision has embarked on a programme of policies as radical as the early post-war Labour government and the Conservative governments of the 1980s. Here it seems that the current financial crisis and its knock-on effects in terms of public borrowing and spending have led to a radical rethink of the scale and range of the welfare state and the nature of planning and urban policy making.

The New Labour governments had already moved to dismantle the elected regional assemblies in England after the ‘test case’ vote in the North East of England proved that the public had no appetite for such regional bodies assuming more control over policy initiation, decision-making and resource allocation. In addition the localism agenda of the new coalition government has seen the abolition of regional tier governmental and decision making bodies in favour of decentralising decision-making and some of the funding capacity for urban policy to the local government scale. The abolition of regional spatial strategies, many of which have only just been adopted has proved particularly controversial and created great uncertainty surrounding a number of sub-regional planning strategies many of which had agendas of concentrating population and economic growth in urban areas. Developers have won legal challenges against the Secretary of State to ensure that land holdings and house building targets and associated development land allocations are allowed
to proceed. Local authorities associated with sub-regions plans have also been quick to take this opportunity to drop controversial elements of plans. The Regional Development Agencies established in England by New Labour have also been abolished and in their place a new Regional Growth Fund (RGF) identified to distribute funding to 24 approved Local Enterprise Partnerships (LEPs) designed to drive forward economic development objectives in broadly functional economic regions. Together the RGF and LEPs are concerned to rebalance the economy from what has been a major expansion of public sector jobs under the preceding New Labour governments and which are now poised to be cut due to the financial crisis. The RGF amounts to £1bn over two years. It remains to be seen how spending from this RGF will be prioritised. In its consultation for the RGF the coalition government spelled out its desire ‘to create a fairer and more balanced economy, where we are not so dependent on a narrow range of economic sectors, and where new businesses and economic opportunities are more evenly shared between regions and industries’ (Department for Business Innovation and Skills, 2010a: 4) and to assist a process of transition in those economies dependent on public sector jobs. However, lobby groups have questioned these aspirations calling for debate over the precise geographical boundaries of LEPs to cease in favour of improving the general business climate (including workforce skills) and concentrating resources on maximising private sector growth wherever and in whichever industry sector it occurs (Swinney, Larkin and Webber, 2010). In this respect there are some similarities in debate during the years of the Conservative governments of the 1980s. For its part the coalition government has opted not to be prescriptive on the types of bids and industries localities bidding for RGF monies (Department for Business Innovation and Skills, 2010b).

Emphasis has been placed by the new coalition government on planning at the neighbourhood, i.e. sub-local authority scale. Neighbourhood development plans are to be encouraged and financed by central government. Notably this empowers parish councils who in rural areas have already been active in contesting the allocation of land for additional housing under existing planning arrangements. The fear is that in rural and semi-rural settings such neighbourhood development plans may produce the sorts of exclusionary zoning typical in United States suburban jurisdictions. Within urban areas, it may have the same effect as residents seek to be designated as neighbourhood forums with a view to with high amenity suburbs or urban conservation areas.

In terms of the financing of infrastructure for development at the local scale there are some potentially important changes that have flowed from a longer standing debate under the previous New Labour governments. The ‘Core Cities’ group of midlands and northern industrial cities has been calling for local authorities to have powers of tax increment financing as in the US in order to help provide up-front enabling infrastructure for major regeneration schemes (Core Cities Group, n.d.). It is unclear what the current Local Government Finance Review will produce but there is every indication that the tax raising powers of local government will be increased in some way in response to these calls and as a way of alleviating central government of some of the burden of financing urban regeneration.
Existing arrangements for local authorities to bargain for ‘planning gain’ have been enhanced. Local authorities have been attempting to provide a growing ‘wish list’ of social and physical infrastructure under ‘section 106’ agreements by bargaining for contributions with developers. Section 106 agreements remain but contributions for physical infrastructure have been separated into a new Community Infrastructure Levy.

Table 7 key features of the Coalition government’s localism agenda

<table>
<thead>
<tr>
<th>Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abolition of regional tier bodies responsible for spatial planning, economic development and funding allocations</td>
</tr>
<tr>
<td>Replacement of Regional Development Agencies by Local Enterprise Partnerships and a new Regional Growth Fund (£1 billion, 2 years)</td>
</tr>
<tr>
<td>Duty of local authorities to co-operate in planning for sustainable development: carried forward into cross-boundary Multi Area Agreements and Local Economic Partnerships</td>
</tr>
<tr>
<td>Emphasis and enhancement of neighbourhood planning - neighbourhood development plans to cover areas within existing local authority areas</td>
</tr>
<tr>
<td>Community Infrastructure Levy for enabling infrastructure for developments</td>
</tr>
<tr>
<td>Local Government Finance Review - appears likely to suggest greater tax raising/borrowing autonomy for local government regeneration schemes</td>
</tr>
</tbody>
</table>

Source: Author’s own notes

These changes are partly borne out of the expediency of the current financial crisis in which the burden of financing the enabling infrastructure and supporting social infrastructure will fall increasingly on local authorities and the development industry. Nevertheless it does promise to usher in a period of greater autonomy for local government in the raising and use of local revenue for the likes of urban regeneration schemes.

It may be that a radical localism - one tied genuinely to neighbourhood-scale planning and one associated with significant powers to raise finance locally - could deliver better and more sustainable and differentiated regeneration of cities. Radical devolution of decision-making power and control over resources has never been tried in Britain in a context in which central government has been reluctant to grant such powers and indeed has tended, if anything since the 1800s to circumscribe the power of local government.

However, the suspicion must be that it promises to be something of a continuation of the centralised-localism of the New Labour governments and one that will do little for urban areas but further empower a sense of imagined community and the rejection of any sense of the common interest between cities and their semi-rural hinterlands.

**CONCLUSION**

The state has been unable to effect a coherent strategy towards the cities. ‘The difficulties of implementing a genuinely innovative, co-ordinated and integrative programme have been too great’
(Lawless, 1989). The multifaceted nature of the urban problem contrasts with the search to manage it by central and local government. Governments often ‘see’ in a particular way which involves a reduction to simple singular targets such as leveraging investment or job creation and spatial metaphors (such as garden cities, assisted areas) (Scott, 2000). This seems at odds with the likelihood that sustainable regeneration of city economies will be fashioned from divergent patterns of industry specialisation.

Whether the necessity facing central government of the need to relieve itself of some of the burden of financing urban policy and the regeneration of cities will release greater creativity and invention in an era of more localised and differentiated urban policy remains to be seen.

There are a number of emerging issues in Britain as we enter a period of austerity and retrenchment of public sector employment. These are overlapping in terms of their impact on particular types of cities and towns in Britain.

- There has long been concern about the dominance of public sector jobs in some cities and towns in Britain. These cities, north and south, appear likely to be at risk of being severely impacted by cuts to public sector spending and employment over the next few years.
- Within the generally buoyant South east of England regional economy, the plight of certain smaller cities and larger towns has become increasingly noticeable but is politically difficult to address both for central and local governments.
- As some of the larger cities of the north and midlands have begun to gain some additional economic gravity through the likes of financial service sector growth and the decentralisation of some segments of creative industries (for example, the relocation of a large part of the BBC to Manchester), there is a clearer picture of the weakness of isolated towns and cities with few interactions and travel to work connections with other towns and cities. These urban areas exist in both the north and south of Britain and it is unclear how the localism agenda can mobilise economies that may lack size and cannot ‘borrow size’ from nearby larger urban centres.
REFERENCES


British Urban Policy 1947- present

Nicholas A. Phelps
Bartlett School of Planning,
University College London,
22 Gordon Street,
London WC1H 0QB
n.phelps@ucl.ac.uk

British Urban Policy 1947- present

1. Introduction
7. Conclusion: continuities, discontinuities and present issues
Introduction

- The urban containment of the British planning system has done cities a great disservice
- Physical planning has been separated from other policy spheres relevant to urban problems
- A system in which local government has little fiscal autonomy
- Context of a persistent North-South divide
  - Convergence in economic and social conditions of northern and southern cities during national economic growth
  - But big differences remain with continued economic, population and physical decline of former industrial cities of midlands and north - the ‘core cities’
Introduction

- Dominance of London
  - Despite attempts to decongest London and SE through new towns and regional policy Britain is ever more dependent on London global city function
Physical Urban Policy (1947-1960s)

- Physical redevelopment of cities as part of general aims to create a modern welfare state
- The fabric of cities was war damaged and in need of improvement
- 345 towns and cities with comprehensive redevelopment schemes in 1962
- 100,000 people per annum moved at height of slum clearance in 1950s
- Popular support evaporated due to the loss of communities and the imposition of schemes

Comprehensive redevelopment, Portsmouth 1960s
Early Urban Policy (1960s-1979)

- First recognition of the multi-faceted nature of problems facing cities
- Specifically urban policy: The Urban Programme
- A range of policies, initially social but later economic in pyramid of preference for assistance
  - 19 ‘other’ districts, 15 ‘programme’, 7 ‘partnership’ districts (partnership between central and local government, health authorities, police and voluntary groups would drive a greater coordination of policies impacting on urban areas.
- Targeted areas in local authorities worked in partnership with central government departments

Early Urban Policy (1960s-1979)

- Also radical left-wing agendas emerging
  - Community Development Projects (CDPs) structure of economy explanations
  - Municipal socialism: GLC, Sheffield, West Midlands
  - Innovative but heavily criticised
  - Policies on gender, ethnic minorities, social enterprise and new private arms of local government to promote enterprise and attract investment

- No such thing as society just individuals
  - Individual and family pathologies of those in cities were to blame
- Neo-liberal policy: deregulation, privatisation
  - Focus on renewing economy of cities and liberating the private sector
  - But strong emphasis on physical regeneration of large number of old industrial spaces in cities
- Garden Festivals
  - Liverpool, Stoke, Glasgow, Gateshead and Ebbw Vale
  - Largely cosmetic physical reclamation of old industrial sites, troubled history of use after festivals

- Enterprise Zones
  - 24 established, only some were urban – created new spaces away from cities or on the edges
  - 1.5 million square feet of floor space, 13,000 net new jobs, esp. Foreign direct investment

- Urban Development Corporations (UDCs)
  - From 1980-1990s: £380m and leveraging over £2bn (1981 and 1986/7) but record of providing jobs, housing and social facilities for local communities was very poor
  - Gentrification in London’s docklands

- Designing-out crime
  - Re-design of housing schemes of comprehensive redevelopment and slum clearance

- Emphasis on ‘Third way’ politics: public, private and voluntary sector working in partnership
  - Counteracted by performance management culture: expert rather than community based input and solutions

- Emphasis on devolution, initially to regions then later to city-regions – in order to liberate economic forces
  - Reinforcement of regional tier: Regional Spatial Strategies and Regional Development Agencies
  - Counteracted by: (a) continued emphasis on competition to distribute funds, (b) new emphasis on performance measurement – ‘centralised localism’ (c) lack of popular and political interest in ‘autonomy’

• How to unblock growth in UK?
  • Get local governments to work together across boundaries? - Creation of Multi-Area Agreements
    – Rationalisation of back office and management functions
    – But conflicts over economic development and planning approaches remain?
  • Infrastructure Planning Commission for strategic infrastructure decisions (Now abolished)
  • Eco towns
    – Major popular resistance to settlements that are much smaller than the new towns


• The Urban Task Force: a desire for an urban renaissance
  – Architecture/urban design inspired urban policy
  – Also inspired by the greater political gravitas and density of development of cities on mainland Europe
  – Improvement in architecture and design of public space went hand in hand with a greater density of development
  – Underpinned by changes in household formation and the emergence of the city as a centre for consumption.
  – BUT often focused only on central city areas
  – Housing market renewal - refurbishment of old terraces instead of demolition – displacement of problems?
Urban renaissance as density of development, Portsmouth 2010
**Coalition Localism Urban Policy? (2010-)**

- Idea of ‘big society’ continues the partnership working idea of New Labour
  - BUT new emphasis on devolving powers to neighbourhood scale – secessionary tendencies?

- Abolition of Regional tier bodies
  - New Regional Spatial Strategies just agreed have been made redundant – confusion in terms of local planning
  - Replaced by a new ‘Regional Growth Fund’ and creation of LEPs to oversee local economic development

- Local Government Finance Review
  - Core cities of north lobbying for greater tax raising powers to finance urban regeneration
Conclusion: Continuities discontinuities and present issues

- Continuities in:
  - Area-based emphasis of urban policy:
    - But city as a nexus of flows rather than a container
  - Emphasis on physical regeneration
  - Quest for coordination of policy under urban policy
  - Emphasis on community, how to instil it?
  - The repeated failure of urban policy
Conclusion: Continuities discontinuities and present issues

- Discontinuities:
  - Contrasts between socialist/welfare and neoliberal/pro-market politics
  - Shift from urban managerialism to urban entrepreneurialism

- Present issues regarding:
  - The problems of how to unblock growth in the South East of England including in small towns and cities in a sea of anti-growth political and popular views
  - Pockets of decline and disadvantage emerging in South East as a result
  - Also problems of isolated towns and cities in north which cannot ‘borrow size’ from larger city regions

Figure 6: Typologies of the 50 English cities

Figure 4.1: City relationships

- Enterprise growthhouses – strong private sector and highly productive
  - Ashford, Canterbury, Chelmsford, Chester, Croydon, Brighton, Leeds, Reading, Swindon, Wrexham
  - Enterprise Engines – growing private sectors and increasing economic performance
  - Coventry, Derby, Swindon, Leeds, Manchester, Northampton, Southampton

- Knowledge Hubs – dominant public sector and highly productive knowledge economy
  - Oxford, Cambridge, Exeter, Swansea, Cork

- Enterprise Ready – large private sectors but without the economic performance that also would expect
  - Birmingham, Exeter, Gateshead, Bristol

- Enterprise Spurts – making the transition from public to private sector with their productivity growing andmaturing
  - Basingstoke, Folkestone, Huddersfield, Newcastle

- Enterprise Priorities – public sector dominant, struggling economics
  - Barnsley, Blackburn, Blackpool, Burton-on-Trent, Derby, Hull, Leicester, Nuneaton, Rugby

- City protest
  - City protest

1. Independent Labour model independent from External Centre
2. Independent Labour model independent from External Centre
3. Independent Labour model independent from External Centre
4. Independent Labour model independent from External Centre
Thank you

Questions?
Governance Structure of British Urban Planning in Retrospection

Claudio de Magalhaes, Associate Professor, University College London

1. Introduction
2. The origins of the British Planning System
3. The 1947 Town and Country Planning Act and the setting up of a national planning system
4. Planning for growth in the 1950s and 1960s:
5. Planning in a declining economy: the 1970s
7. Pro-market planning in the recession: the 1990s
8. Planning under New Labour (1997-2010) and the shift to ‘Spatial Planning’
9. The Localism Bill and planning in 2010
10. Conclusions

References
1. Introduction

This paper was commissioned by KRIHS with the specific brief of providing an overview of the evolution of the governance structure of the British planning system since 1945. This overview should discuss key urban policy projects of each planning regime as well as putting forward an evaluation of those. The overview should also comment on the role of key actors, their responsibilities and the principles that guide the distribution of roles and responsibilities. The clear chronological dimension of the brief is reflected in the structure of the paper. Each section seeks to explain the different phases of the UK planning system by looking at the context for planning (i.e. the ‘planning problems’ that needed addressing), the main policies or pieces of legislation that defined the phase, and the key roles they defined. Each section finishes with a table which summarises all these points.

The adopted sequence of phases is the one largely accepted by most commentators. It starts with the 1947 Planning Act, goes through its implementation and revision in the following decades and progresses with the changes that have accompanied major political changes in 1979, 1997 and again in 2010.

The last section comprises a summary of the evolution of the British planning system, together with a short analysis of the direction and implications of that evolution.

The historical overview of the planning system and its evolution provided here is based on existing work which either provides accounts of that history as a whole or focuses on specific periods in it. Full references are provided at the end.

2. The origins of the British Planning System

The substance and practice of what constitutes the discipline of ‘urban planning’ are likely to vary considerably from country to country, and might also vary within the same country in different periods of its history. Therefore, an overview of planning policies, structures and practices in one particular country, the UK, has to start with a statement about what urban planning might mean in general, and what might be the specificities of urban planning in that particular country.

Rydin (1998:1) suggests that urban planning has three key characteristics: it is a future-oriented activity in the sense of being guided by desired end states for urban areas and the necessary actions to get to those states; it is primarily a public sector activity as it is based on the premise that the state (national, regional, local) is capable of coordinating and guiding the multiplicity of public and private interventions in urban areas; it is concerned with the physical environment, with shaping the physical environment of urban areas in order to achieve broader societal goals.

British urban planning (or town and country planning as it used to be called) has those three generic characteristics, but has some important specificities as well. Firstly, it was created and evolved as a response to the kind of environmental problems produced by early industrialisation and urbanisation and the subsequent challenges to an established industrial economy and associated urban network. Secondly, its initial postwar welfare state set-up and subsequent evolution reflect

43
the conflictive views about the roles of the state, markets and civil society that have shaped British politics during the period. Thirdly, in its structure and evolution it also reflects the nature and history of the land and property development industry and of property markets which it was designed to direct and control. Lastly, and most obviously the British planning system is also a reflection of the country’s legal system and administrative structure of government.

Although the British planning system as considered in this paper has its beginning in the years immediately after the Second World War, some of its elements have origins that go back in time many centuries. There were planned (that is, designed) towns in the Middle Ages, and development control legislation was enacted in England in the Tudor, Stuart and Georgian periods (16 to 19th Centuries). However, most of the elements of what would became the UK planning system emerged from attempts in the 19th Century to deal with the social consequences of massive industrialisation and urbanisation, especially the housing and health aspects of working class living environments, and later the problem of uncontrolled suburbanisation and loss of countryside. Several pieces of legislation were passed from the 1840s to control housing standards, the effects of industrial pollution on living environments, and set out the role of local government in dealing with those. Model towns were proposed and developed by enlightened industrialists in the second half of that century as examples of alternative urban environments. By the end of the century Ebenezer Howard proposed the idea of garden cities and a blue print for urban growth and comprehensive management of urban areas. This had a strong influence in the first piece of legislation to bear the name ‘planning’ in 1909 and its subsequent adjustments, enacted under the auspices of the Ministry for Health. The 1909 Act created powers for local authorities and land owners to prepare schemes regulating suburb an growth, and further legislation in 1919 made planning schemes compulsory for new developments in larger urban areas.

The interwar years (1918-1939) saw the consolidation of those early planning instruments, with the confirmation of the importance of planning for housing and of powers to prepare plans for any land, even if already built-up. This period also saw the emergence of a regional component in the thinking about planning. The severe and persistent unemployment in some regions in the UK, side by side with accelerated grown and suburbanisation in the South of the country led to the appointment of a Royal Commission in 1937 to investigate the problem and make recommendations. The Barlow Commission was in many regards directly responsible for the events that would ultimately led to the creation of the post-war planning machine (Hall and Tewdwr-Jones 2010: 57). The report, published in 1940 after the outbreak of the war, lead to the commissioning of a batch of major specialist reports, which provided the main basis for the postwar planning system (on rural land use, on rights of compensation for land acquired for public purposes; on planning and construction of new towns to accommodate and control urban growth; on a plan for Greater London and its reconstruction - the Abercrombie Plan of 1944; on the creation of a system of national parks).

It should be noted that both these reports and the raft of legislation passed in the years following the war - the 1947 Planning Act included, took place in a context in which the public sector
had taken over from the market the task of allocating resources in society to an unprecedented level. Although originally justified as part of the war effort, the scope of public sector activity it introduced would inform views on the role of the state for several decades afterwards.

3. The 1947 Town and Country Planning Act and the setting up of a national planning system

It is commonly accepted that the enactment of the 1947 Act marks the beginning of the modern British planning system. The Act introduced many mechanisms, principles and assumptions whose broad outlines however modified survive to this day. The act itself was preceded by the creation of a Ministry of Town and Country Planning in 1943, confirming the emergence of Planning as a recognised field of policy, and the extension of the need for permission for development (development control) to all land, not just that under planning schemes.

The first important feature of the 1947 act is that it nationalised development rights for all land. In other words, the act compulsorily purchased all development rights everywhere, setting out a once-and-for-all compensation that would be paid later in 1954. Beyond that, any further development would pay a development charge of 100% of the increase in value brought about by permission to develop, thus effectively transferring the rights over that value to the state (Hall and Tewdwr-Jones, 2010: 73)

The second feature was the linkage between plan-making and development control through the creation of new local planning authorities charged with both duties. The act imposed the duties to prepare plans and control private development on 145 county councils (larger scale local authorities) and county boroughs in England and Wales , i.e. local authorities covering larger urban areas (counties, cities and large burghs in Scotland). These planning authorities had the duty to draw up plans indicating main land uses; main transport routes; mineral areas; woodland; green belts; reservoirs; comprehensive development areas were major redevelopment should take place. These plans should be revised every 5 years, taking into account developments and intended changes in land use in the next 20 years. Plans should be approved by the then Ministry of Town and Country Planning, and the local authority should then administer development control in accordance with the Plan (Hall and Tewdwr-Jones 2010:72)

The third feature, already alluded to in the paragraph above, was to make planning (as both plan making and the control of private development) a compulsory duty of all local authorities, overseen and coordinated by central government.

The planning framework created by the 1947 Act provided the structure for the implementation of a series of urban policy initiatives in the following years, such as the New Towns programme, heritage protection, and regional spatial policy regarding the spatial distribution of industry (1945) and later of offices (1963) seeking to decentralise economic activities away from London and the South and towards economically depressed areas in the North and West (Rydin 1998).

The ‘1947 regime’, as it could be called, assumed that most developments, be they housing, public
facilities, industrial estates, large infrastructure or parks, would be carried out by the public sector, as was indeed the case in the decade following the passing of the Act, although increasingly less so (Cullingworth and Nadin 2006:22). Although ownership of land remained mostly in private hands, land acquisition for development was to be made predominantly by public sector bodies. Private-to-private transactions and private developments were expected to remain marginal. In this context, ‘positive planning’, in the sense of actions and initiatives in the built environment that would shape how cities were organised, would be the result of the activities of housing, health, education, transport, parks, and other public agencies working under the guidance of a master plan prepared by local authorities or especially created new town corporations under the coordination of central government. This was supposed to cover the vast majority of housing production, urban renewal of older parts of cities and the construction of new and expanded settlements and their infrastructure. In parallel, ‘negative planning’, that is restrictive control of private development which was the main substance of the 1947 Act itself, would provide local authorities with the tools for securing compliance from the minority of developments expected to be carried out by private agencies (Hall and Tewdwr-Jones 2010: 76).

This regime also assumed that social, economic and physical change could be controlled and regulated through public sector action and its powers to restrict and guide markets and private action. Hall and Tewdwr-Jones (2010: 105) suggest that this was so because the pace of population growth and economic development was expected to be slow and constant in the following decades. These assumptions embedded in the 1947 planning system about the roles of the public sector and the private market in shaping the built environment, about the nature, pace and controllability of economic, social and physical change, and about how to distribute the responsibilities for both shaping the built environment and controlling change, would mark the evolution of the planning system in subsequent years, and shape the responses to planning challenges from planners, politicians and society at large.

Table 1: Summary  - the 1947 Planning Act

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Postwar reconstruction, social reform, regional imbalances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Technical, state-led spatial reconfiguration of cities and society, with public sector direction of land uses</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Statutory Planning as a subordinate element of broader policies of redistribution of population and economic activities</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>New Towns, social housing estates and location control of economic activities</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Formulation and implementation of urban policy and planning guidelines, creation of New Town corporations, implementation of major infrastructure, control of regional distribution of economic activities</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Development plan preparation and revision, social house-building, control of minority of developments undertaken by private developers</td>
</tr>
</tbody>
</table>
4. Planning for growth in the 1950s and 1960s:

In the 1950s the UK entered a period of economic growth that would last until the early 1970s. This was not just a quantitative growth of population or employment resulting from prosperity. It involved also qualitative social changes. Increasing standards of living led to demand for larger and better homes, increased car ownership and thus mobility led to first congestion and then decentralisation of population and later employment, prosperity and changes in lifestyles led to changes in family structures and in the demand for housing and public facilities. Moreover, contrary to the assumptions underpinning the 1947 planning system, all this change was not slow and constant but fast. Inevitably, this challenged the ability of public programmes of development and construction to adapt to the demands of fast growth. As a result a much larger proportion of physical redevelopment was undertaken by private enterprise, and therefore a much larger role had to be played by the ‘negative’ controls set out in planning legislation.

Much of the pressure from population growth and the need for commercial space was to be met through the New Towns programme - although its original intention was to redistribute population rather than accommodate growth - and through expanded towns, effectively new towns built at the edge of existing settlements. Through regional planning instruments, especially grants and financial incentives, central government tried to redirect employment, especially industrial employment to more economically depressed regions.

On the one hand, this period was one of consolidation of the 1947 ‘planning regime, with preparation and implementation of the plans and development control instruments on which that regime was based. This was the case, for example for one very important element in British planning policy: the Green Belt. Already proposed for London in the 1930s, included in the Abercornbie London Plan of 1944 and subsequently implemented, Green Belts were originally conceived as a policy tool to prevent the expansion of urban areas into the surrounding countryside. A government Circular of 1955 made easier the designation of green belts elsewhere and the policy was quickly adopted by many large and not-so-large urban areas, achieving coverage of about 13% of the land area of England. The underlying assumption was that growth pressures in London and elsewhere should be accommodated in new planned settlements and should not take over areas of countryside in the periphery of towns and cities. This policy reveals another assumption that informed the consolidation of the British planning system from 1947 onwards, namely the intrinsically negative character of urban expansion.

However, the pace of change and intensity of new development led to some significant changes in the original system, many of them designed to accommodate the increasing relevance of the
private land market and private development in meeting policy objectives and to allow those markets to operate more freely. Changes were progressively introduced in the betterment provisions of the 1947 Act - which had originally intended that that all increases in land and property values due to planning decisions would be captured by the public sector. These changes culminated in the 1959 Planning Act, which re-established market value as the basis for land acquisition by the public and private sector. This measure confirmed a shift from an assumption that the public sector would direct the allocation of land, to a mixed-economy approach in which the state would pursue urban policy but within the constraints of market processes (Rydin 1998: 31).

Towards the end of this period there were also significant changes to the planning system to try to address the lack of flexibility embedded in the 5-year plans of the 1947 Act and the need to respond to a faster pace of change (Rydin 1998:30). The 1968 Planning Act instituted a two-tier system of structure plans and local plans instead of the single development plan, with the former setting out broad-brush strategies that could and should be reviewed continuously rather than every 5-years, and the latter setting out more detailed policies which could be reviewed less often (Figure 1).
Reform of local government also emerged as a necessity, as increased mobility of population and businesses brought to the fore the need to consider the urban region as the spatial unit for planning in larger urban agglomeration. This culminated in the Local Government Act of 1972, introduced a two-tier administrative system everywhere in England, with large County Councils in charge of wider-area strategic planning (the Structure Plans), and within them District Councils in charge of local plans. London and other 6 conurbations became Metropolitan Counties, also with their own districts, but with a different distribution of functions. However, this splitting of planning responsibilities between County and District would lead to conflicts and issues of coordination that persist to this day.
Table 2: Summary – Planning in the 1950s and 1960s

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Fast and continuous economic growth, population growth, significant increase in car ownership, regional imbalances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Technical, mixed-economy approach with public sector policy and investment interacting (often reactively) with private land and property markets. Planning decisions informed by rational decision-making theory</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Statutory planning as the part of the armoury of instruments aiming at delivering national policies of distribution of population and activities and welfare state objectives which dealt with private land and property markets</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>New Towns, Extended Towns, Green Belts, Office Development Permits</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Formulation and implementation of urban policy and planning guidelines, creation and control of New Town corporations, implementation of major infrastructure, approval of development plans and Green Belt policies, control of regional distribution of economic activities</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Development plan preparation and revision, social house-building, reactive regulation of private development</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Increasingly major role in delivering and shaping urban policy and planning objectives through housing and commercial developments</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Recipients of welfare policies, no direct role in policy formulation (indirect role through the structures of representative democracy)</td>
</tr>
</tbody>
</table>

5. Planning in a declining economy: the 1970s

The phase of postwar economic growth that had underpinned planning polices in the 1950s and 1960s peaked and collapsed in the early 1970s. The growth pressures that had been driving a largely reactive planning system were suddenly removed (Rydin 1998:38), exposing the inadequacy and ineffectiveness of many of the previous policy responses to urban problems. Apart from increasing concerns with pollution and congestion from car-dependent developments, the social consequences of large road and infrastructure building projects on surrounding communities, inadequacy of many of the public and private mass-housing projects, the main challenge to planning and urban policy in the period came from the realisation that the raft of social and economic policies of the postwar period had not succeeded in eliminating poverty and in increasing living standards in particular sectors of society. The geographical dimension of this persistent poverty, an apparent concentration in inner areas of the larger conurbations, led many to perceive it as the ‘inner-city problem’.

Adding to government sponsored decentralisation of population (to New and Expanded Towns) and jobs (through controls of location of manufacturing and offices), there had been a much stronger spontaneous movement of wealthier inhabitants and jobs away from older areas of large
cities and towards suburbs and towns on the outer side of Green Belts. The population that remained in older inner cities had a disproportionate amount of poorer and less-skilled households forming pockets of multiple deprivation in those areas. It should be noted that although the majority of people leaving in inner-city districts were not deprived, and that most deprived people could be found elsewhere, there was still a powerful argument for concentration of urban policy efforts in inner city areas (Hall and Tewdwr-Jones 2010:137). This shift in policy focus led to the scaling down and finally closure of the New Towns programme in 1977 (Rydin 1998: 39). The emergence of aid-programmes for inner-city areas towards the end of the decade marks the start of urban regeneration as a distinct and increasing part of urban policy, which would increasingly shape the aims and objectives of planning.

The emergence of environmental concerns and the realisation of the importance of other spheres of public policy in defining the outcomes of planning policies led to the emergence of a new government department in 1971 - the Department of the Environment - which took over responsibility for planning at central government level, together with those for housing, transport and road building and public works.

Within the statutory planning system, the concern with addressing the negative externalities of private development led to the emergence of mechanisms that would try and capture some of the value planning permission added to development sites. Section 52 of the 1971 Planning Act allowed local authorities to extract community benefits from developments. This was further strengthened by legislation enabling the enforcement of positive covenants (i.e. the obligation by developers to build/implement agreed facilities or benefits) (Rydin 1998:39). This mechanism for addressing the impacts of private development short of proper betterment capture legislation would later become essential in defining the relationship between statutory planning and broader social and economic policies.

More generally, this period saw the peaking and the waning of a rationalist, technified, professionalised understanding of planning and planners (Reade 1987, Rydin 1998). The spreading of IT resources led to broader use of sophisticated mathematical models as part of planning tools, and a procedural take on planning theory, with a focus on optimum decision making and the forms of achieving it. However, spectacular failures of many long-standing planning policies to bring about the equitable, efficient and high quality environment led to intense questioning of the supposedly scientific basis and neutrality of planning. Alternative views of what planning was for and what should be the role of planners (e.g. as advocates of disadvantaged communities) started to gain ground and would change the views on the role of communities and citizens (from passive beneficiaries and recipients of neutral planning decisions conceived by professional experts, to full participants with equally valid claims and a right to be heard in a process which was inherently characterised by different and often antagonistic interests. Many urban regeneration policies in the end of this period as well as some plans came to adopt the latter approach.

The Conservative government that took over in 1979, headed by Margaret Thatcher, represented a strongly anti-interventionist, market-led solution to the problems of decline of the British economy outlined in the previous section. This represented a break with a mixed-economy consensus that had prevailed until then, based on Keynesian state-led economic management and welfarist social policies, with a strong and pervasive role for the state and a subordinate albeit important position for market forces. The failure of the mixed economy approach to deal with structural economic and social problems such as industrial decline, falling competitiveness, persistent poverty, etc. suggested to the incoming government that state intervention was more a part of the problem than of the solution. The real solution should lie in rolling back the state and releasing private enterprise (Cullingworth and Nadin 2006: 28).

Although the government rhetoric of the period was naturally strongly anti-planning as primarily a state regulatory activity, much of planning system remained in place unchanged. As Brindley et al. (1989: 2) suggest, this was so because of the usefulness of planning as a tool for maximising land values and helping in the pursuit of economic efficiency, rather than its former ethos as instrument of social justice and equality. However, many of the more important planning-related policies of the period purposefully by-passed the statutory planning system and some parts of the planning machinery were indeed eliminated (Rydin 1998: 52). Attempts to coordinate local plans at the level of regions through regional economic planning councils were disbanded. Office Development Permits and Industrial Development Certificates (used previously to de-centralise and direct the location of these

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Economic recession, inner-city poverty and suburbanisation, pollution and congestion, social unrest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Managerial, policy implementation-focused system, aiming at achieving rational outcomes from negotiation among interests affected by planning decisions.</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Plan making as tool for coordination of polices dealing with social polarisation and regional disparities, but increasingly dissociated from the regulation of private development</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>Urban Programme and other urban renewal initiatives, separation between strategic Structure Plans and detailed Local Plans</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Strategic policy formulation, regional policy formulation and implementation</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Structure and Local Plan preparation and revisions, implementation of urban renewal initiatives, reactive regulation of private markets</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Providing response to market opportunities</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Increasing participation in planning process and planning decisions as interested parties</td>
</tr>
</tbody>
</table>

Table 3: Summary - Planning in the 1970s
developments) were abolished. Metropolitan County Councils, including the Greater London Council were also abolished in 1985, under the justification that they represented unnecessary layers of bureaucracy. This meant that disappearance of a strategic planning authority in charge of producing structural plans for the 6 metropolitan areas of England, as opposed to the local plans prepared by metropolitan boroughs.

Furthermore, the constitutive parts of the planning system, namely development plans and development controls were restructured to become more market-friendly, with a more positive approach towards private development. A government circular of 1985 established that there should be a presumption in favour of development, with planning permission being granted as the norm, unless there were strong and demonstrable planning objections. Changes in the classification of uses, again implemented through government circulars, removed some types of development from local authority control and reduced the scope of issues which could be examined through development control (e.g. aesthetics, ruled out in 1985). The scope of Planning Gain was also restricted (i.e. the negotiation with developers to extract community benefits). The general emphasis was on speeding up the process of obtaining planning permission, thus facilitating private development (Rydin 1998: 54).

On the development plan side of the system, changes were introduced to speed up the process of plan preparation, simplify and reduce plan content though strictly adherence to land use issues only, and downgrade the importance of plans in controlling the flow of private development. A circular from the Department of the Environment from 1984 made clear that local authorities should not refuse planning permission for a development proposal just because it was contrary to development plan policies; these policies should be just one amongst other material considerations. The only areas concerning planning in which state intervention actually increased were conservation of historical heritage and protection of the countryside against urban development. This reveals less a strategic approach by the Thatcher government than the permanence of long-standing interests and prejudices in favour of conservation and against urban development by the British elites and large parts of the population.

As mentioned above, most of the more significant planning-related initiatives of the period by-passed the statutory planning system altogether. Two of them deserve specific mention, namely the Enterprise Zones (EZ) and the Urban Development Corporations (UDC):

Enterprise Zones were areas of the country which were freed from normal planning controls, and where significant fiscal concessions were offered to any businesses that decided to locate there. By far the most significant of these concessions was a 10-year exemption of property taxes. Between 1980 and 1983 24 such zones were created, many in blighted areas with substantial amounts of derelict land. They were conceived as a tool to attract private development and employment to areas in need of regeneration. They were proposed by local authorities and approved by central government. Although the policy did succeed in attracting firms and jobs to the target areas (2,800 firms and 63,300 jobs by 1986), but only a fraction of those were new rather than transferred jobs (about 13,000), at a total cost to the government of £297 million net
of infrastructure (Hall and Tewdwr-Jones 2010: 141). This represents a relatively small number of jobs at an appreciable cost and the experiment did not go further. Emphasis from 1987 onwards shifted to the other policy initiative, the UDC.

Urban Development Corporations were a time-limited public development corporation financed by government, and with powers of acquiring, servicing, developing and selling land, using compulsory purchase instruments if necessary. They had also extensive planning powers which effectively replaced the normal planning system. They were similar to the organisations used in developing the New Towns, but this time creating the conditions for private rather than public property development through cheap land and infrastructure investment. The first two UDCs were set up in 1981, amongst them the better known and more successful of them - the London Docklands Development Corporation (LDDC). Nine other UDCs followed in other British cities, with the last introduced in Bristol in 1989. Given their remits, many UDCs were quite effective in physically transforming the areas of which they had control, partly because of a strong property market during the 2nd half of the 1980s. They established the grounds for more successful developments that would come later, after UDCs expired in the early 1990s: Canary Wharf and similar LDDC - induced developments testify to that. However, some cities such as Manchester managed to achieve equally impressive successes without the presence of UDCs, as in the Salford Quays area. Moreover, in terms of job creation or improvement in the welfare of surrounding populations, there cordless clear. A swith EZs, new job creation in UDC areas was not high, and the cost per job to government was quite significant. Poorer still is the UDCs record vis-à-vis the communities they affected. The lack of democratic accountability and an arrow focus on property development led UDCs to ignore community concerns and aspirations, at least in the first years of the policy. The perception that UDC - sponsored developments contributed to an increase in gentrification, social segregation and social exclusion is still prevalent (Minton 2009).

The concerted attempt to reduce the role of the planning system, by-pass it in important policy initiatives, and especially strip it from its social-equity ethos led to what some perceived as a fragmentation of planning practice. The deep-rootedness of the planning system, the vested interests it represented and different perspectives of key actors (planners, developers, citizens, etc) led to planning becoming for a time a battle ground for different perspectives and ideologies. Thornley et al (1989) suggest that different planning styles emerged in the 1980s, depending on whether or not a market-led perspective of planning as advocated by central government supplanted a pre-existing market-critical perspective, and on the perceived nature of the problems planning had to address. This includes planning initiatives that tried to adapt the previous regulative approach to suit a pro-market stance whilst maintaining its essence, as in the Cambridgeshire Plan of the 1980s; alternative anti-market plans such as the community-led popular planning of the Coin Street area in London; market-reliant leverage planning as in the already mentioned LDDC work in the Docklands area in London, where planning and state intervention aimed at leveraging private investment.

Towards the end of this period, the view of planning as facilitator of development was
well-established, a process made possible by an increasing centralisation of planning and other urban governance functions by central government in detriment of local authorities. As many have pointed out, the rolling back of the state promoted by the Thatcher government paradoxically led to an increased role for central government, albeit compensated by a more than proportional decrease in that of local authorities.

Table 4: Summary - Planning in the 1980s

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Market-led, anti-state response to problems of economic decline, falling competitiveness, urban decline and poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Centralised, market-focused planning, aiming at facilitating development opportunities, planning providing a framework for market activity</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Market-friendly urban policy often by-passing regulatory planning, or using statutory planning to set out broad parameters for property market activity</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>Enterprise Zones, Urban Development Corporations</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Creating and implementing urban policy instruments, controlling local authority policies and initiatives, stimulating and supporting property markets with grants and investment</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Promotion and facilitation of private development through land use guidelines</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Shaping and implementing urban policy objectives</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Formal participants in planning decisions but with little real power (leading to alternative, anti-market community-led planning in some areas)</td>
</tr>
</tbody>
</table>

7. Pro-market planning in the recession: the 1990s

Whereas the philosophy of government towards planning remained much the same during the period that goes from Ms Thatcher leaving office in 1990 to the Labour Party coming to power in 1997, the economic and social context for planning changed significantly. The early 1990s was a period of strong economic recession, following a major property crash in 1989/1990. Unemployment remained at very high levels for most of this period, and affected all areas of the country. There was however evidence showing that population loss in many large cities might be slowing down or reversing.

Environmental issues came to prominence, this time not just as localised issues of pollution, but as a global problem requiring regional, national and global solutions. Partly, this was due to the growing importance of the European Union and EU legislation, which required changes in British law and British governance mechanisms so that they complied with EU directives.

In a climate of economic recession, the pro-market approach to planning that had dominated the previous period did not disappear, but instead experienced a change in style (Rydin 1998: 75). Thorley (1993) talks of ‘authoritarian decentralisation’, whereby planning decisions were devolved to lower tier government (or quasi non-governmental organisations) but with strong controlling...
powers remaining with central government. This was signalled by the introduction of performance indicators to measure the efficiency and effectiveness of local authority actions in all spheres of governance activity, including planning.

The role of markets in achieving policy goals was by now widely accepted, but so was the role of state action in guiding and regulating markets, development planning included. The 1991 Planning Act re-established the importance of development plans in development control decisions in what was termed a ‘plan-led system’, effectively reversing the anti-plan approach of the previous period. Several other planning policies of the period sought to address the excesses of the unconstrained market activity of the previous years, more often than not through Planning Policy Guidance (PPG) notes, central government recommendations on how local plans and planning policies should be interpreted and implemented.

PPG 6 (1996), for instance, aimed at restricting uncontrolled expansion of out-of-town retailing, which had flourished in the 1980s and was blamed for a general decline of the economic health of established town and city centres and an increased in car-based journeys. According to PPG 6, any development proposal for that type of retailing should first pass a sequential test, which prioritised development in town centres, followed by edge-of-centre sites, followed by out-of-town sites, with developers having to argue their case in that regard. Similarly, PPG 3 advised on the allocation of land for new housing, in an attempt to set out a planned and not just market-led response to the predicted growth in housing demand; PPG 13, on transport, recommended the use of more compact urban forms in new developments to minimise the need for car journeys and made public transport alternatives more viable (Cullingworth and Nadin 2006).

Another key characteristic of both planning and urban policy in this period was the widespread adoption of facilitator mechanisms. The central role of government was still perceived as that of facilitator of private actions, but it was now acknowledge that the best way of achieving both policy goals and private objectives was through partnership between private and public agents. This was especially so in a recessionary context, were neither party would be capable of achieving their aims on their own. Accordingly, the PFI – Private Finance Initiative was introduced in 1992 as a way of marrying public and private sector interests in delivering key infrastructure projects, the former through access to private finance and skills, the latter through access to a slice of the financial returns from those projects. Although the PFI did not have a direct bearing on the planning system in its early stages, the use of this instrument would become more widespread after 1997 and would ultimately determine which infrastructure projects would or would not be implemented, the location and specifications of housing renewal projects, etc. and therefore shape planning decisions.

Table 5: Summary – Planning in the 1990s

| Drivers of Planning                                                                 | Economic recession and excesses of market-led urban policy, increasing social polarisation and inter- and intra-regional disparities, environmental agenda, European Union legislation |

KRIHS-UCL joint Seminar  ■  56
8. Planning under New Labour (1997-2010) and the shift to ‘Spatial Planning’

The economic situation facing the new Labour government in 1997 was one of growth that would last until the 2007/08 financial crisis. However, in spite of the challenges to the planning system brought forward by growth, planning did not figure high in the government’s programme in its first four years. Commentators have referred to this period as ‘business as usual’ (Tewdwr-Jones 2008: 676): the planning system as shaped by previous governments remained in place, and only indirectly affected by actions in other fields of policy.

Amongst those, constitutional reform is the more important. From its early days, the government embarked on a project of devolving some autonomy to Scotland, Wales and Northern Ireland, together with creating some form of regional government in England. The former was largely successful, leading to autonomous government in those parts of the UK, whereas the latter was less so. As part of constitutional change, the New Labour government also focused on the reform of public services, in a search for efficiency based on a different relationship between providers and users and government, markets and civil society. This approach would inform changes in the planning system later in the decade.

However, in a relatively short time, problems which required a planning response became more pressing. Firstly, there was a growing problem of housing affordability in the more dynamic southern parts of the UK, caused by rising incomes and low cost mortgages, but also by a dwindling supply of houses. Although evidence was not clear cut, many suggested that part of the problem was due to planning and its inability to release sufficient land for housing development, or the excessive length of the planning permission process (Barker 2004, Hall and Tewdwr-Jones 2010: 158). Moreover weak regional planning instruments made it difficult for government to tackle the problems of housing and related infrastructure at a supra-local level.
Secondly, the plethora of localised and competing urban policy initiatives, partnerships, organisations that had been put in place since the 1980s, particularly in the field of urban regeneration, had created a vastly fragmented urban governance context. The narrow land-use focus of the planning system did not allow it to relate easily to the spatial consequences of policies formulated in other spheres of state action, let alone coordinate those. Planning had become primarily a reactive tool of control of development, with most of the decisions about the future of urban areas being taken elsewhere, often as a by-product of sectoral policy decisions. Third, and related to the previous point, there was a perception that the competitiveness of UK cities was being hampered by inadequate governance structures which could not provide the strategic and practical leadership required to coordinate public and private action at the city level (Hall and Tewdwr-Jones 2010: 155)

Attempts to re-energise regional planning and coordination happened relatively early in the period. The creation of Regional Development Agencies (RDAs) in all 9 English regions in 1997 were essential in signalling a regional scope for planning which had been absent from the planning system for decades. RDAs were public sector agencies in charge of regional economic development, with both access to urban regeneration funds and responsibility for advising on Regional Planning Guidance which should inform structure plans of local authorities and ensure they were in line with regional economic development objectives. These were made broader in scope and much more representative by the requirement of an Examination in Public (EIP), a public consultation process (Cullingworth and Nadin 2006: 31). RDA accountability was to be secured by the creation of Regional Assemblies, made up of elective representatives, which however never fully played the role expected of them.

London represented a particular problem of governance coordination, fragmented as it was in more than 30 local authorities. In 1998 a referendum approved the creation of the Greater London Authority (GLA), with an elected assembly and elected mayor, with responsibility for strategic planning, regeneration, transport and key infrastructure decisions and major planning applications. Although the balance of powers and responsibilities between the GLA, especially the mayor, and the local boroughs has remained complex and occasionally unwieldy, this initiative has been quite successful. A similar approach would be extended later in the decade to other large conurbations. Elsewhere, local authorities in receipt of urban regeneration funding were required to create Local Strategic Partnerships (LSP), incorporating all sectoral public service-delivery, partnerships operating in their territory, and all important stakeholders from the public, private and community sectors. These LSP were given the responsibility of preparing a Community Strategy (CS), a vision for the future of their locality incorporating most areas of public policy. Although CS were not immediately concerned with planning, the role of planning in translating that vision into action was recognised early on, and this would inform the reform in the planning system that took place in 2004.

Problems of coordination, governance and competitiveness were also looked by government commissioned reports. The Urban Task Force report came out in 1999, recommending a
design-based approach to the economic and social renaissance of UK cities. Its proposals for a compact urban form, denser developments, mixed-use neighbourhood informed the Government’s Urban White Paper of 2001, which set out the main urban policy and planning strategies to be developed subsequently.

The principles contained in the Urban Task Force report and the 2001 White Paper informed a major policy initiative launched in 2003, the Sustainable Communities Programme. The programme aimed to tackle problems of housing supply through the creation of new urban areas based on environmental sustainability principles of mixed-use, high quality design, community cohesion and sustainable living (Hall and Tewdwr-Jones 2010: 159). Areas for new settlements were designated in the South of England, whereas in the North the programme would tackle low demand and abandonment. Implementation of the programme relied on the incorporation of the programme’s objectives into regional planning guidance and local development plans, together with central government investment in infrastructure and skills to encourage and accelerate private development, reduce the opposition to new development from existing communities and ensure the environmental qualities of the outputs of the programme. As with many initiatives of the period, it relied heavily on the dynamics of the property market to deliver policy objectives. This was more likely to happen in the high demand areas of the South of England than in the low demand neighbourhoods of the North, where the selective demolition of housing blocks included in proposals to physically reorganise low demand areas faced strong opposition from the start. The credit crunch and economic recession from 2007 have slowed down implementation considerably even in the more successful areas. The controversial housing demolition component progressed at uneven pace in different locations and was finally scrapped by the new Coalition Government in 2010.

It is important to note that during these years the central government department responsible for planning and urban policy was restructured four times (form Department of the Environment to Department of the Environment, Transport and the Regions, to Department for Transport, Local Government and the Regions, to Office of the Deputy Prime Minister, to Department of Communities and Local Government). (Figure2)

These changes were caused less by the different visions of where planning and urban policy should be within government than by political tensions between government members. They do however reveal different views of the connections between policy areas and especially the conflict between the imperatives of economic development on the one hand, and of social and environmental policies on the other, which characterised urban policy in this period (De Magalhães 2004).

More radical reform of the planning system aligning it with the spirit of the policies summarised above came with the 2004 Planning and Compulsory Purchase Act. The Act completely reformed planning policy and strategy making at national, regional, sub-regional and local levels. Planning policy system now comprises National Planning Policy Statements that replaced the Planning Policy Guidance notes; Regional Spatial Strategies replacing Regional Planning Guidance; new Sub-Regional Strategies; and Local Development Frameworks, and umbrella designation for
existing development plans and new Area Action Plans and local Masterplans, which replace the old rigid hierarchy of Structure Plans/Local Plans and Unitary Development Plans (Hall and Tewdwr-Jones 2010: 163) (Figure3). This was not merely a change in the names of planning instruments. The new system signals a change towards ‘spatial planning’, encouraging a broader notion of planning which would include notions of place, space, community, governance and strategic integration of policies with a spatial focus. (Tewdwr-Jones 2008: 674). This more open and less hierarchical system allows for new forms of planning and different types of plan to coexist under the umbrella of Local Development Framework, and for communities to shape planning instruments in way that seem relevant to them, instead of the centrally prescribed mechanisms of structure and local plans. The tradition of land use planning is still present in plans and development control instruments, but it coexists now with more strategy-focused spatial planning principles, concerned with actor integration and the delivery of place-based governance (Hall and Tewdwr-Jones 2010: 163). As a more open system, the 2004 Act also includes a vastly increased opportunity for public participation in different stages of plan making and policy implementation.
Figure 2 - The changing departmental responsibilities for planning in England (Source: Cullingworth and Nadin 2006:45). In 2006 the Office of the Deputy Prime Minister (ODPM) was changed once again to Department for Communities and Local Government (DCLG)

However, as with any new policy regime, transforming a new approach to planning into policy practice is not an easy process, and there were problems and delays in the implementation of the new planning instruments created by the 2004 Act. The broad actor involvement they presupposed created practical difficulties and there was uncertainty about the detail of the proposals. Moreover, and perhaps more importantly, the decentralisation of planning which informs the 2004 reform sat uneasily with the need to speed up the planning process and thus deliver the housing, infrastructure and economic growth government expected (Tewdwr-Jones 2008: 680). These pressures led to a
new Planning Act in 2008, whose focus was on streamlining and speeding up the 2004 system through:

- exemption of planning permission for small developments, together with some freedoms for industrial and commercial developments;
- a fast-track appeals mechanism for rejected applications;
- a new independent Infrastructure Planning Commission to make recommendations on major infrastructure projects, thus removing them from the normal local planning process;
- requirement for developers to consult the public before application, together with a requirement for local authorities to become guardians of place-shaping;
- national planning policies setting out medium- to long-term objectives over a 25 year period.

Figure 3 - The new planning system put in place by the 2004 Act
(Source: Cullingworth and Nadin 2006:121). Regional spatial strategies were abolished in 2010, and new Neighbourhood Plans are expected to complement the system.
The 2008 Act also addressed the issue of financing infrastructure investment, housing and public facilities through the planning system. Over the years local authorities had come to rely almost exclusively on planning gain through Section 106 of the 1990 Act to extract financial contributions from private developers. Initially designed to secure that developers would pay the cost of dealing with the impacts of their developments, by 2008 it had become almost a tax on development, and the main source of finance for social housing and local infrastructure. The 2008 Act did not alter this situation substantially, but it proposed another mechanism for funding infrastructure of regional or sub-regional importance which could not be easily linked to one singe development. This new developer contribution, a locally defined quasi-tax is called the Community Infrastructure Levy. As with Section 106 agreement, its real effectiveness would depend on a strong property market which creates enough development value to allow local authorities to appropriate part of it whilst leaving enough in place to make development viable. This was largely the situation in London, the south of England and the core of metropolitan areas elsewhere in the UK until the credit crunch and ensuing recession in 2008, but the risk of dependence on development values for the implementation of housing and other policy objectives became apparent as the housing market collapsed in 2009.

Table 6: Summary – Planning under New Labour

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Economic growth, housing shortage, governance fragmentation, persistence of inter- and intra-regional social and economic disparities, need for city competitiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>‘Spatial Planning’ (participatory spatial strategy beyond land use and towards place-making)</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Planning a tool for the negotiated coordination of the local impacts of sectoral policies and for promoting economic development</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>Local Strategic Partnerships, Sustainable Communities Programme, Regional Development Agencies, Community Infrastructure Levy</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Provide of national and regional guidance and rules to local authorities and regional and local public, private and community partners, monitor performance of de-centralised structures of policy implementation (including local authorities), decide on planning issues of national importance</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Adjust national policy objectives to local context, implement those objectives in partnership with key local private and community stakeholders, regulate private development and use regulatory powers to secure community gains</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Make use of market opportunities and fund the implementation of policy objectives through sharing part of the development value created by planning</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Consultees in planning preparation and implementation and stakeholders and partners in partnership initiatives</td>
</tr>
</tbody>
</table>
9. The Localism Bill and planning in 2010

The consolidation of many of the planning instruments introduced by the 2004 and 2008 Acts was interrupted by a change in government in the summer of 2010. A Coalition Government took office in a context of economic recession and mounting public debt, with a programme of further devolution of policy responsibilities to the local level and from government to civil society (the Big Society programme), but also with a stringent programme of cuts in public spending, which involve the abolition of public bodies, termination of investment programmes, etc. In what concerns planning, the Regional Development Agencies were abolished together with the Regional Spatial Strategies, as was the recently created Infrastructure Planning Commission. Central government Investment programmes in urban governance and infrastructure were cut back, as were local authorities’ budgets. It is still too early to fully assess the consequences of all these measures for planning, although a major piece of legislation currently being debated in Parliament (January 2011) gives some indication of what might happen to planning in the coming years. The Localism Bill is a wide ranging piece of legislation regulating the distribution of powers and responsibilities for policy making and service delivery between central government, local authorities and communities. It addresses issues of housing, infrastructure funding, local authority funding, and planning amongst others. The bill does not propose to alter the basic framework of planning introduced by the 2004 Act, but it seeks to devolve some of the planning powers within that framework to the level of neighbourhoods and communities, as well as allowing for greater use of local receipts, tariffs, and incentives to shape the location of projects and determine development (Tewdwr-Jones 2010: 29).

In short, the bill proposes the abolition of top-down Regional Planning Strategies, replaced by voluntary, bottom-up plans drawn by consortia of local authorities, and backed up by a duty of cooperation of all relevant public bodies; it restricts the power of central government to amend locally approved plans; it introduces Neighbourhood Plans and a Community Right to Build, which will enable communities to permit and take forward developments without the need for planning applications, as long as they are supported by a majority within a community; it institutes financial incentives for local authorities that allow housing and commercial developments in their areas (DCLG 2010).

In the case of London, the bill aims to strengthen the powers of the Greater London Authority and the Mayor by transferring powers over regeneration and housing investment from central government organisations, and allowing the Mayor have more control over major planning applications (DCLG 2010).

In its general lines the Localism Bill has been well received by local authorities and planning practitioners. If fully implemented the changes it brings forth will be far reaching, and mostly positive. However, at the time of writing concerns are emerging about the details of many of these proposals. Implementing Neighbourhood Plans, for instance will require resources, skills and capacities from communities and local authorities which might not be easily available. The bill certainly signals a new phase for planning and urban policy in the UK, but what exactly this phase
will be will only become clear as secondary legislation comes forward in the coming months.

Table 7: Summary – Planning for the ‘Big Society’

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Economic recession and public debt, together with view that civil society should reclaim space occupied by public sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Decentralised, bottom-up planning, with clear separation of national interest and local interest</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>If the planning system set out in the 2004 Act is maintained, planning will be used to realise local aspirations for a place, loosely representing a local translation of national policy objectives</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>Series of new powers and measures set out in the Localism Bill aiming at devolving power and initiative to communities</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Setting out very broad policy objectives and create the instruments for allowing communities to decide how they can contribute towards the realisation of those objectives</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Coordinate local communities, help them create local visions and strategies and use their powers and tools to implement them</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Make us of market opportunities within the limits set out by locally based plans and strategies, contribute towards implementation of policy objectives through sharing part of the development value created by planning</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Active participation in creating local-level planning strategy, undertake the provision of local services, decide on and implement developments of local importance</td>
</tr>
</tbody>
</table>

10. Conclusions

This short summary of the evolution of the British planning system and its governance structures highlighted the specific characteristics of each period, themselves a function of what was happening in the economy and in society at the time. Cycles of economic growth and recession, structural changes in the global economy, varying ideological perspectives, changes in the relationship between the state and society, changes in lifestyles – these factors have determined the options available to planning at each juncture, thus shaping its evolutionary trajectory. Although each stage in that trajectory has its own characteristics and its own driving forces, the overall perspective is also cumulative: the slow adaptation of many key institutions, legal principles, philosophies, routines and practices in British planning system ensures that the evolution of the system contains not just breaks but also slowly-evolving continuities, and both are equally important in understanding what planning means today and its perspectives for the future. It is possible therefore to characterise some trends in the history of the British planning system, slow process of evolution underpinning more visible and radical ruptures. The first of these is the change from a technical/professional discipline in which technically conceived and ethically inspired masterplans would guide public and private location decisions to a decision-making system which recognises the rights of an increasing number of actors in having a say in how their
immediate environment is shaped. Related to this trend is the relative reduction over the years of the role of the state, and especially Central Government, vis-à-vis other actors. If on occasions this reduction was ideologically charged as in the Thatcher years, it has also reflected changes in governance regimes more generally, and the progressive acceptance of active participation of civil society in making and implementing policies that directly affect their interests. Both of these trends are linked to another trend, the rebalancing of responsibilities between Central Government and local authorities and more recently sub-local and neighbourhood organisation. Although the direction of change here has not always been constant (with alternating centralisation and decentralisation) overall the trend has been towards acceptance of the subsidiarity principle whereby governance decisions should be taken at the lowest possible level, where impacts are bound to be the greatest.

Another trend refers to the scope of planning. This has evolved from a concern with distribution of people and activities in space, to a narrow focus on control of private development, to a concern with place, place-making and the impact on it of all public and private sector intervention. Underpinning these different views there has been a constant concern with the potential role of the built environment in helping to achieve social welfare and economic development objectives and how to realise this role.

British Planning is now beginning another phase in its history. Much of what will structure this phase is still undefined, but if the measures announced in the Localism Bill pass fully into law, some of the trends mentioned above will be intensified. The Bill clearly recognises the limitations of state power to bring about policy outcomes and the need to act with markets and communities. It recognises the role of local interests in shaping the detail of policy and in creating better places. More autonomy for local authorities for issues of local relevance are proposed, carrying the principle of subsidiarity even further and establishing clear distinctions between what is of national to what is of local interest and should be decided locally.

The main issue is whether these measures are capable of making the planning system fit to face the challenges it will have to confront in the near future: the need to contribute to economic prosperity in a context of increasing global competition; the ability to tackle increasingly complex environmental problems for which there are no painless solutions; the capacity to provide instruments for an acceptable allocation of scarce housing land in the face of conflictive views of who should benefit, why and how; the ability to secure quality of the built environment in areas where pressures for development are strong as well as in those which suffer from abandonment; the capacity to deal with further fragmentation and diversification of urban governance mechanisms which will inevitably result from the growth of participation in policy making, and the potential for an increase in spatial inequalities that will come with the devolution of power to communities and neighbourhoods. The future place of the British statutory planning as an important part of urban governance depends on how well it will be able to deal with those challenges, and how effective it will be as a tool to help mediate conflicts over different aspirations for the built environment.
References


Governance Structure of British Urban Planning in Retrospection

From 1947 to the present

Dr Claudio De Magalhães
Bartlett School of Planning – UCL
January 2011

UCL-KRIHS joint seminar:
National Urban Policy in Transition: Historical Development and Future Direction in UK and Republic of Korea

British planning: defining a chronology

- Variation in the nature of the ‘planning problems’ and of dominant perceptions of them
- Variation in the nature of the solutions to those problems
  - The instruments
  - The roles of different players in government and society
1947 and the beginning of modern planning

- History of legislating about buildings and the built environment:
  - Sanitary and safe housing
  - Social improvement through better living environment
- 1909: First piece of legislation with the name ‘planning’
  - Voluntary plans to regulate suburban growth

1947 and the beginning of modern planning

- 1930s: Unemployment in the North and suburbanisation in the South – Barlow Commission and several specialist reports
- 1939-1945: War damage and need to rebuilt
- Wartime economy: Unprecedented State control over resource allocation

- Predictions of slow, stable growth and stable population
The 1947 Planning Act

- Nationalisation of development rights for all land (compulsory purchase of all development rights)
  - Increases in value due to development henceforth belonging to the state
- Creation of Planning Authorities (County Councils) for plan-making and development control
- Compulsory land use plans, indicating main uses and development areas, revised every 5 years

*Structure for implementation of urban policy:*
  - *New Towns, Decentralisation of industry, Green Belts*

---

The 1947 Planning Act

- Social, economic and physical change controlled and regulated by the state
- Assumption that most development would be carried out by public bodies
  - Planning system controlling minority of private developments
The 1947 planning ‘regime’

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Postwar reconstruction, social reform, regional imbalances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Technical, state-led spatial reconfiguration of cities and society, public sector direction of land uses</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Statutory Planning as a subordinate element of broader policies of redistribution of population and economic activities</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>New Towns, social housing estates, location control of economic activities</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Formulation and implementation of urban policy and planning guidelines (New Town corporations, major infrastructure), control of regional distribution of economic activities</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Development plan preparation and revision, social house-building, control of minority of developments undertaken by private developers</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Subordinate role, complementing public building programmes</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Recipients of welfare policies, no direct role in policy formulation (in direct role through the structures of representative democracy)</td>
</tr>
</tbody>
</table>

The 1950s/1960s: Planning for Growth

- Prolonged period of fast economic growth from early 1950s
- Postwar baby boom
- Motorcar and population mobility
- Changes in lifestyles and smaller families

Pressure for development and increasing importance of private land and property markets
The 1950s/1960s: Planning for Growth

- Green Belts (protecting countryside)
- More new towns and expanded towns to accommodate and redirect growth
- Transport infrastructure
- 1959 Act: market value re-established as basis for public and private land acquisition:
  - Mixed-economy approach: state operating within market constraints

- 1968 Act: Break-down of development plan into:
  - Structure Plan (more strategic, constantly renewed)
  - Local Plan (more detailed, renewed every 5 years)

- 1972 Act: Two-tier system:
  - Counties (structure plan)
  - District (local plan)
  (+ 7 metropolitan councils)

Responding to fast change and development pressures
The 1950s/1960s: Planning for Growth

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Fast and continuous economic growth; population growth; increase in car ownership, regional imbalances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Technical, mixed-economy approach with public sector policy and investment interacting with private land and property markets; Planning decisions informed by rational decision-making</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Statutory planning as part of the armoury of instruments aiming at delivering national policies of distribution of population and activities and welfare state objectives which dealt with private land and property markets</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>New Towns, Extended Towns, Green Belts, Office Development Permits</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Formulation and implementation of urban policy and planning guidelines (New Town corporations, major infrastructure); approval of development plans and Green Belt policies; control of distribution of economic activities</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Development plan preparation and revision; social housing-building, reactive regulation of private development</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Increasingly major role in delivering and shaping urban policy and planning objectives through housing and commercial developments</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Recipients of welfare policies, no direct role in policy formulation (indirect role through the structures of representative democracy)</td>
</tr>
</tbody>
</table>

The 1970s: Economic Recession and Decline

- Debt and oil crises
- Pollution and congestion
- Social unrest, suburbanisation and the ‘inner-city problem’:
  - Permanence of poverty and inequality
  - Urban regeneration
The 1970s: Economic Recession and Decline

- DoE: recognising impact of other spheres of policy on planning outcomes
- Section 52 of the 1971 Act: extracting community benefits from private development; enforcement of positive covenants
- Community involvement
- Rationality x Advocacy
- Increasing dissociation:
  - Development control
  - Plan making

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Economic recession, intra-city poverty and sub-urbanisation, pollution and congestion, social unrest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Managerial, policy implementation-focused system, aiming at achieving rational outcomes from negotiation among interests affected by planning decisions.</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Plan making as tool for coordination of policies dealing with social polarisation and regional disparities, but increasingly dissociated from the regulation of private development.</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>Urban Programme and other urban renewal initiatives, separation between strategic Structure Plans and detailed Local Plans</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Strategic policy formulation, regional policy formulation and implementation</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Structure and Local Plan preparation and revisions, implementation of urban renewal initiatives, reactive regulation of private markets</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Providing response to market opportunities</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Increasing participation in planning process and planning decisions as interested parties</td>
</tr>
</tbody>
</table>
Market-led Planning under Thatcher (1979-1990)

- Strong anti-interventionist, market-led solution to problems of economic decline and social welfare
- Break with the mixed-economy consensus
- State intervention part of the problem: need to roll back the state and release private enterprise

Property-led regeneration
‘home-owning democracy’

Market-led Planning under Thatcher (1979-1990)

- Regional planning policy instruments abolished
- Abolition of metropolitan councils
- Reduction in the scope of local authority planning control
  - ‘Presumption in favour of development’
- Restriction of scope of ‘Planning Gain’
- Simplification and reduction of scope of Development Plans:
  - Land use issues only

Weakening of local authorities and strengthening of central government

Paradoxically, increase in state intervention in heritage conservation and the protection of the countryside
Market-led Planning under Thatcher (1979-1990)

- Most important policies by-passes statutory planning system:
- Enterprise Zones: areas freed from planning controls, with fiscal concessions for businesses (10-year exemption of property taxes)

  • 24 created in areas with derelict land to attract development and employment

  • But few really new jobs at a high cost, abandoned in the mid-1980s

Market-led Planning under Thatcher (1979-1990)

- Urban Development Corporations: time-limited public development corporation, with powers to acquire (by CPO if necessary), service, develop and sell land
- Extensive planning powers replacing normal planning system
- 11 in Total
But other places managed to achieve similar results without an Urban Development Corporation and keeping within the Local Authority planning powers:

- and lower political costs.

---

**Market-led Planning under Thatcher (1979-1990)**

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Market-led, anti-state response to problems of economic decline, falling competitiveness, urban decline and poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Centralised, market-focused planning, aiming at facilitating development opportunities, planning providing a framework for market activity</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Market-friendly urban policy often by-passing regulatory planning, or using statutory planning to set out broad parameters for property market activity</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>Enterprise Zones, Urban Development Corporations</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Creating and implementing urban policy instruments, controlling local authority policies and initiatives, stimulating and supporting property markets with grants and investment</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Promotion and facilitation of private development through land use guidelines</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Shaping and implementing urban policy objectives</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Formal participants in planning decisions, but with little real power (leading to alternative, anti-market community-led planning in some areas)</td>
</tr>
</tbody>
</table>
1990s: Market-led Planning in the recession

• Property Crash of 1989 and recession:
  – Unemployment and worsening of social problems
  – Negative equity and repossessions in housing market
  – Not possible to rely on private development
  – Evidence of problems with over-reliance on heated property markets

• The environment as a global problem
  – European Union legislation and directives

1990s: Market-led Planning in the recession

• ‘Authoritarian Decentralisation’:
  – Planning decisions devolved to local authorities or local ‘quangos’ but under strong performance control from central government
  – Markets important to achieve policy goals, but equally the guiding and regulating role of the state:
    • Public-private partnerships: state facilitating private actions and ensuring compliance with policy objectives
    • PFI (Private Finance Initiative - 1992): Private provision of public facilities
1990s: Market-led Planning in the recession

- PPGs and RPGs (1988): central government recommendations on planning implementation: certainty for local authorities and private developers
  - PPG 6: sequence test for shopping centres, to protect vitality of town centres
  - PPG 3: land allocation for housing (brownfield and high density)
  - PPG 13: compact urban form to minimise car journeys

1990s: Market-led Planning in the recession

- Planning Act 1991
  - ‘plan-led’ planning system: reinstating importance of development plans for development control decision
  - PPGs and RPGs incorporated into system as strategic guidance
  - Section 106: Planning Gain with larger scope
1990s: Market-led Planning in the recession

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Economic recession and excesses of market-led urban policy, increasing social polarisation and inter- and intra-regional disparities, environmental agenda, European Union legislation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Partnership planning, with markets and state working together under a plan-led set of strategies and policies</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>Statutory planning as key tool in the implementation of largely urban regeneration-based urban policies, local plans helping deliver centrally set policy objectives</td>
</tr>
<tr>
<td>Key Initiatives</td>
<td>National system of Planning Policy Guidance Notes, partnership mechanisms (PFI, SBS, etc.)</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Strategy setting for planning and urban policy, management of urban investment programmes, overseeing the preparation and approval of development plans</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Preparing, revising and implementing development plans, implementation of planning and urban policy objectives through partnership working with the private sector, regulation of private development in line with local and national policy objectives</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Using market opportunities to implement national and local planning and policy objectives, in partnership with local authority</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Formal consultees in plan preparation and development control decisions, stakeholders in partnerships for policy implementation</td>
</tr>
</tbody>
</table>

Planning as ‘Spatial Planning’: 1997-2010

- Economic recovery and growth, but problems of city competitiveness
- Increasing regional and intra-region disparities
- Booming housing market but supply and affordability crisis
- Fragmentation of governance (LAs, partnerships, quangos) and marginal role for planning as coordinating tool
Planning as ‘Spatial Planning’: 1997-2010

- Housing affordability:

Figure 7: Ratio of house prices to earnings (lower quartile): 1999 and 2006

Planning as ‘Spatial Planning’: 1997-2010

- Constitutional Change: Devolution (regional government in Scotland, Wales, N Ireland, regional government in England)
- Public services reform: user involvement, Local Strategic Partnerships and Community Strategies
- Regional Development Agencies: regional development and planning strategy
- Greater London Authority: elected assembly and mayor

- Barker report (2004): Planning as part of the causes of housing market problems
Planning as ‘Spatial Planning’: 1997-2010

- **Sustainable Communities Programme (2003)**: tackling housing supply:
  - Market-led delivery
  - Planning incentives to land supply
  - Freedoms, flexibilities, grants
  - Favourable planning
  - Availability of public land
  - Partnerships LA, EP, developers,
  - new UDCs

---

Planning as ‘Spatial Planning’: 1997-2010

- 2004 Planning Act
  - ‘Spatial Planning’
  - Broader notion of planning (place, space, community, governance, integration of policy impacts)
  - Local Framework as umbrella for different kinds of plans replacing old hierarchy
  - Communities shaping the system
Planning as ‘Spatial Planning’: 1997-2010

- The 2008 Act:
  - Problems with implementation of new system
  - Treasury concerns with speeding up housing and infrastructure delivery

- The act:
  - Exemption of planning permission for small developments
  - Fast track appeals for rejected applications
  - Independent Infrastructure Planning Commission for major infrastructure projects
  - Developers to consult public *before* application

---

Planning as ‘Spatial Planning’: 1997-2010

- Community Infrastructure Levy
  - Funding infrastructure of national and regional significance (e.g. Crossrail) through a quasi-tax on developers’ profits
  - Section 106 agreements still counted on to deliver affordable housing and other social facilities
    - (by now the dominant form of funding them)

*Tying the funding for housing, facilities and infrastructure to the strength of the property markets*

<table>
<thead>
<tr>
<th>Table 4.1: The total value of planning obligations in 2005-06</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open Space and the Environment</td>
<td>£215,684,473</td>
</tr>
<tr>
<td>Transport and Travel</td>
<td>£361,395,329</td>
</tr>
<tr>
<td>Community Works and Leisure</td>
<td>£75,439,992</td>
</tr>
<tr>
<td>Education</td>
<td>£154,053,871</td>
</tr>
<tr>
<td>Other</td>
<td>£149,893,807</td>
</tr>
<tr>
<td>County Councils (est)</td>
<td>£10,000,000</td>
</tr>
<tr>
<td>Max Land Contributions</td>
<td>£960,000,000</td>
</tr>
<tr>
<td>Affordable Housing</td>
<td>2,000,000,000</td>
</tr>
<tr>
<td>Estimated Total Value</td>
<td>£44bn</td>
</tr>
</tbody>
</table>
Planning as ‘Spatial Planning’: 1997-2010

**Drivers of Planning**
Economic growth, housing shortage, governance fragmentation, persistence of inter- and intra-regional social and economic disparities; need for city competitiveness

**Style of Planning**
'Spatial Planning' (participatory spatial strategy beyond land use and towards place-making)

**Linkage between Planning and urban policy**
Planning a tool for the negotiated coordination of the local impacts of sectoral policies and for promoting economic development

**Key Initiatives**
Local Strategic Partnerships; Sustainable Communities Programme; Regional Development Agencies; Community Infrastructure Levy

**Role of Central Government**
Provide of national and regional guidance and rules to local authorities and regional and local public, private and community partners, monitor performance of de-centralised structures of policy implementation (including local authorities), decide on planning issues of national importance

**Role of Local Government**
Adjust national policy objectives to local context, implement those objectives in partnership with key local private and community stakeholders, regulate private development and use regulatory powers to secure community gains

**Role of private developers**
Make use of market opportunities and fund the implementation of policy objectives through sharing part of the development value created by planning

**Role of citizens and communities**
Consults in planning preparation and implementation and stakeholders and partners in partnership initiatives

---

Planning and the ‘Big Society’: 2010 - 

- Coalition government, recession and mounting public debt
  - Significant public spending cuts
  - Reducing the role of the state: Devolution of policy responsibilities to local level and from government to civil society (the Big Society)
Planning and the ‘Big Society’: 2010 - ?

- Planning and The Localism Bill:
  - Abolition of Infrastructure Planning Commission and Regional Development Agencies and RSS (replaced by plans from local consortia of Las)
  - Wide-ranging legislation devolving planning powers to neighbourhoods & allowing local authorities more freedom in the use of local receipts to shape development
    - Neighbourhood Plans
    - Community Right to Build (if majority wishes, regardless of plan)
    - TIF, local use of tax receipts from new housing
    - More powers to elected Mayors

Local capacity? Conflict local x national & regional

<table>
<thead>
<tr>
<th>Drivers of Planning</th>
<th>Economic recession and public debt, together with view that civil society should reclaim space occupied by public sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Style of Planning</td>
<td>Decentralised, bottom-up planning, with clear separation of national interest and local interest</td>
</tr>
<tr>
<td>Linkage between Planning and urban policy</td>
<td>If the planning system set out in the 2004 Act is maintained, planning will be used to realise local aspirations for a place, loosely representing a local translation of national policy objectives</td>
</tr>
<tr>
<td>Key/Initiatives</td>
<td>Series of new powers and measures set out in the Localism Bill aiming at devolving power and initiative to communities</td>
</tr>
<tr>
<td>Role of Central Government</td>
<td>Setting out very broad policy objectives and create the instruments for allowing communities to decide how they can contribute towards the realisation of those objectives</td>
</tr>
<tr>
<td>Role of Local Government</td>
<td>Coordinate local communities, help them create local visions and strategies and use their powers and tools to implement them</td>
</tr>
<tr>
<td>Role of private developers</td>
<td>Make use of market opportunities within the limits set out by locally based plans and strategies, contribute towards implementation of policy objectives through sharing part of the development value created by planning</td>
</tr>
<tr>
<td>Role of citizens and communities</td>
<td>Active participation in creating local-level planning strategy, undertake the provision of local services, decide on and implement developments of local importance</td>
</tr>
</tbody>
</table>
Concluding thoughts

- Increasing recognition of rights of involvement in the system
- Rebalancing of responsibilities between central government, local government and civil society (different combinations as challenges change)
- Scope of planning: broadening to a concern with place-making and impact of public and private intervention
  - Recognition of limitations of state power to bring about policy outcomes

Concluding thoughts

- The future...
- Will a more neighbourhood/community based planning respond to the challenges?
  - Economic prosperity in a context of globalisation
  - Tackling complex environmental problems with no painless solutions
  - Provide mechanisms for balancing local and broader interests in the allocation of scarce land resources
  - Coping with increasingly fragmented governance
  - Securing built environment quality in a fragmented society with broadening disparities in the experience of the built environment
감사합니다

Thank you
Prerequisites for the Better Urban Policies

: Reviewing Urbanization & Urban Planning Efforts in Korea

Jae Gil PARK, Senior Research Fellow, KRIHS

I. Introduction
II. The Korean urbanization movement since the early 20 centuries
III. Learning from the experience of the past & present
IV. The challenges to be tackled for the future urban policy
V. Conclusion
Prerequisites for the Better Urban Policies: Reviewing Urbanization & Urban Planning Efforts in Korea

2011. 2.
Jaegil Park
Senior Research Fellow
Korean Research Institute of Human Settlement (KRIHS)

Contents

I. Introduction
II. The Korean urbanization movement since the early 20 centuries
III. Learning from the experience of the past & present
IV. The challenges to be tackled for the future urban policy
V. Conclusion
1. Introduction

- Review of the profile of the past Korean urbanization and major institutional frameworks for urban planning and management

- Finding out the implications for the future urban policy directions

II. The Korean urbanization movement since the early 20 centuries

1. Urbanization in 3 Stages
   - Incipient Period (1876–1960): from the era of opening ports to foreign countries followed by colonial period to the unrest time after independence
   - Intermediate Period (1960 – 1990): under the accelerated urbanization with high economic growth
   - Advanced Period (1990~): urbanization speed calmed down with changed governance politically and economically

2. Urbanization Ratio Change

* The figures before 1950 are the sum of North and South Korea
* The figure in 1950 is an estimate.
- Incipient period (1876–1960)
  - Urbanization not eminent until the 1910s because of unrest social circumstances (consolidated by Japan)
  - Urbanization ratio increased from 4.9% in 1920 to 9.2% in 1930 because of concentration of peasants on urban areas who were deprived of cultivation rights.
  - Urbanization ratio went high in 1940 (18.6%) due to the industrialization for Japanese military logistics during the 1930s.
  - The ratio also increased during the 1940s and 1950s: return people from abroad after independence and refugees due to the Korean War in the 1950s (already 36.8% in 1960)

- Economic Growth since 1960 (intermediate and advanced period)
  - GDP in 2009 is $830 bil. (420 times more than in 1960)
  - GNI per capita in 2009 is $17,275 (220 times more than in 1960)
Intermediate period (1960~1990)
- Urbanization ratio went up from 35.8% in 1960 to 82.6% in 1990 (15.6% growth per every 10 years)
- Urban population increased from 9.2 mil. to 35.9 mil. (net increase 26.7 mil.): 900,000 people increase in every year

Advanced Urbanization (1990~)
- Urbanization ratio began to be stable from the mid-1990s over 90%
- Urbanization ratio shows 82.6% in 1990, 93.9% in 2000, and 95.7% in 2005

3. Urbanization profile in the intermediate and advanced periods
1) Number of Cities and Population Share by City Size
- The number of cities over one million increased from two in 1960 to eight in 2005
  - Population share of these cities reached from 39.2% in 1960 up to 57.6% in 1990.
- The number and population share of cities with population between 200,000 and 1,000,000 have grown continuously after the 1980s
- The number of cities with population between 20,000 and 50,000 have been decreasing since the 1980s.

![Number of cities by size](image1.png)

![Population share by city size](image2.png)

Entering advanced stage, metropolitanization has been occurring, accompanying population decrease in core central cities.

3) Housing Demand and Supply

- Despite steady housing construction, housing supply ratio still decreased by the mid-1985.
  - Housing shortage has been always the priority no. 1 urban problem to be solved
- From the late 1980s, housing supply ratio began to increase by implementing the 2 million housing construction plan etc.

Number of housing and housing supply rate

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of housing (thousand)</th>
<th>Housing supply rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962</td>
<td>3,624</td>
<td>85.4</td>
</tr>
<tr>
<td>1965</td>
<td>3,981</td>
<td>84.3</td>
</tr>
<tr>
<td>1970</td>
<td>4,356</td>
<td>78.2</td>
</tr>
<tr>
<td>1975</td>
<td>4,734</td>
<td>74.4</td>
</tr>
<tr>
<td>1980</td>
<td>5,210</td>
<td>71.2</td>
</tr>
<tr>
<td>1985</td>
<td>6,180</td>
<td>66.8</td>
</tr>
<tr>
<td>1990</td>
<td>7,302</td>
<td>72.4</td>
</tr>
<tr>
<td>1995</td>
<td>8,633</td>
<td>65.4</td>
</tr>
<tr>
<td>2000</td>
<td>10,540</td>
<td>80.3</td>
</tr>
<tr>
<td>2005</td>
<td>12,170</td>
<td>84.3</td>
</tr>
<tr>
<td>2010</td>
<td>14,890</td>
<td>86.2</td>
</tr>
<tr>
<td>2015</td>
<td>17,610</td>
<td>86.7</td>
</tr>
<tr>
<td>2020</td>
<td>20,300</td>
<td>87.5</td>
</tr>
</tbody>
</table>
4) Urban Traffic Environment: Explosive Growth of Vehicle Numbers

- Unlike road length which has steadily increased so far, the number of registered vehicles “skyrocketed” after 1990, but the increasing trend is gradually slowing down from 2000.

III. Learning from the experience of the past & present

1. Review of the accumulated institutional arrangements for urban planning and management

1) Analytical Framework

- Urban efforts concerning physical environment could be executed by the institutional apparatus of urban land development, land use regulation, and urban comprehensive planning (comp.)
  - those newly given or changed in legal right for land also should be noted
- We can infer the desirable policy direction from the change characteristics of the formal institutional apparatus from the incipient via the intermediate to the advanced period.
2) Institutional apparatus for urban efforts

(1) Incipient period (1876-1960)

<table>
<thead>
<tr>
<th>Category</th>
<th>Institutional apparatus</th>
</tr>
</thead>
</table>
| Legal right for land | • In the early colonial period, by the Land Survey Decree (1912)
|                   | modern land ownership institutionalized. But the land stewardship by the nobles was more prepondered than peasants and farmers. |
|                   | • After the independence the upper limit of farmland ownership was introduced by the legislation (1950), redistributing farmland to farmers |
| Land Development  | • the Compulsory Land Purchase Act of 1911 for public projects
|                   | • Modern Town Improvement project (1912)                                                |
|                   | • Land readjustment project by the Land Rearrangement Decree (1927) and the Urban District Planning Decree (1934)
|                   | - Land readjustment project was very commonly applied to urban development               |
| Land Use Regulations | • Building permit system introduced within designated area by using setbacks etc. (1913) |
|                   | • Designation of Urban Planning Districts and Zoning Ordinance (Urban District Planning Decree, 1934)
|                   | - not executed by 1939, the first designation in Seoul.                                    |
| Comp. Planning    | • no statutory planning in this period                                                   |

(2) Intermediate period (1960-1990)

<table>
<thead>
<tr>
<th>Category</th>
<th>Institutional apparatus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal right for Land</td>
<td>• new legislation for land evaluation criteria, negotiation in purchasing and direct compensation for compulsory purchasing land (1975)</td>
</tr>
</tbody>
</table>
| Land Development  | • Land Readjustment Act (1966), Urban Renewal Act (1971)
|                   | • Industrial Park Development Promotion Act (1973), Residential Land Development Promotion Act (1980): Overall and compulsory purchasing of Land
|                   | - Land development related legislations diversified                                      |
| Land Use Regulations | • Urban Planning Act (1962)
|                   | - Inheriting the designation of zoning and urban facilities of the Urban District Planning Decree of 1934
|                   | • National Territory Management Act (1972), Revision of Urban Planning Act (1972): Nationwide application of the zoning and development permit system
|                   | - Land use regulation more expanded and sophisticated                                   |
| Comp. Planning    | • Institutionalization of the 20 year long-term urban comprehensive planning, whose main role was to keep the zoning not to be changed frequently |
(3) Advanced period (1990~)

<table>
<thead>
<tr>
<th>Category</th>
<th>Institutional apparatus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal right for land</td>
<td>Public concept oriented land management legislations (1990) to counter land speculation, skyrocketing land price, and disproportionate land ownership. But all the related acts were repealed later</td>
</tr>
</tbody>
</table>
| Land Development     | • Urban Development Act (2000): consolidation of Land Readjustment Act and urban development system within Urban Planning Act  
                      • Urban and Residential Improvement Act (2002): consolidation of urban renewal and residential redevelopment related acts |
| Land Use Regulations | • Integration of zoning designation and control into single Urban Planning Act (2000)  
                      • National Territory Planning and Management Act (2002): Consolidation of Urban Planning Act and National Territory Management Act which had each separate planning areas  
                      • The Act for the Legislation Control related with Land Use Regulations (2002) |
| Comp. Planning       | • Institutionalization of City-region planning (2000)                                                                                                   |

4) Problems to be solved

1. The social injustice in planning and land development system allowing planning gains privatized

2. Discordance in the linkage among land development, land use regulation, and planning
2. The livable city making movement in the resent

- The enhancing movement for the amenity in downtown and neighborhood
  - people more interested in natural and daily living environment
  - enjoy tracking mountains in holidays and walking around neighboring parks, slow walking in the old neighborhoods
- Urban Regeneration widely accepted for the future urban policy direction
  - the Cheonggye river restoration project in Seoul was very welcomed and affectuated many other projects in Korea

3. Livable Community making efforts

- New movement occurred in many cities across the country, Gwanju, Daegu, Bupyeong(Incheon), etc.
- Need to establish new relationship between city government and neighborhoods, and rational way to support them
- The role of urban planning for the community planning asked to be established
IV. The challenges to be tackled for the future urban policy

1. The role of urban planning system for urban efforts
   - The role of urban planning should be changed
     - from the one which has acted for accommodating the market and residents propelled by the government’s decision only
     - to the one that acts as the deliberatives to coordinate among government, market, and civil society
   - Professionals can be supportive to this system, inhabitants can act both in market and in civil society.

4. The challenges for the future

2. Redefinition of land development right related with planning
   - Only expectation for the land use change makes land price uproar
   - planning causes land price bubbled with self-defeated results
   - The existing development permit system do not deal with land use change, but deal with the change of land form
   - Land use change is automatically allowed by the consequence of the land form change
   - Need to redefine what development is, and establish the relationship of land development with planning system
3. Integration of physical planning & development control system

- Conventional planning is based on blue-print planning concept, very rigid about changing circumstances. Furthermore, the development project should be executed according to the predetermined zoning.
- Always required to do rezoneing process before the project application, followed by revising process for the comp. planning.
- The long term plan is hard to be maintained; It must be changed to triangle structure to coordinate among comp. planning, urban management plan, urban development project.

4. From Blue-Print Planning to Policy Oriented Planning

- Conventional blue-print type planning cannot carry out diversified issues and manage multi-scaled policies.
  - it should give conservation policies and control functional plans.
- Through policies, it is possible to have dialogue among diversified related bodies.
V. Conclusion

- This presentation was prepared for outlining the main issues now urban planning realm in Korea encountering
  - and also it is expected for UK professors to understand the very situation on which urban planning system is acting

- It would be very helpful for challenging the aforementioned issues to hear the experiences of UK from you

- Thank you!
Urban Development Policy in a Transitional Age in Korea

Wang Geon LEE, Research Fellow, KRIHS
Hee Sun Joo, Assistant Research Fellow, KRIHS

1. INTRODUCTION
2. Existing urban renewal tools and their limitations
3. Improvement methods of urban regeneration projects
4. Urban regeneration implementation strategy
【Appendix】
1. INTRODUCTION

☐ Population decline trend in Korea cities

Because low TFR(Total Fertility Rate) and aging society are rapidly progressing in Korea, many analysts anticipate that Korea society will be changed into population decline country since 2018. As the number of population decline cities in the city scale are continuously increasing, socio-economic conditions which are related with urban development are also changing. There was no population decline city in rapid urbanization process until the 1970s in Korea. The population decline cities began to emerge such as Donghae, Taebaek, and Jecheon in the 1980s. But the phenomenon is very restricted, only to exist in several small cities. Population decline trend in city scale has accelerated since the 1990s. The number of population decline city was 11 of 62 cities from 1990 to 1994 and the number increased 21 of 84 cities from 1995 to 1999.

Figure 1 Population change trend of city level

<table>
<thead>
<tr>
<th>Year</th>
<th>Total number of cities</th>
<th>Number of population decline cities</th>
<th>Rates (%)</th>
<th>Name of population decline cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-1984</td>
<td>38</td>
<td>1</td>
<td>2.6</td>
<td>Donghae</td>
</tr>
<tr>
<td>1985-1989</td>
<td>53</td>
<td>2</td>
<td>3.8</td>
<td>Taebaek, Jecheon</td>
</tr>
<tr>
<td>1990-1994</td>
<td>62</td>
<td>11</td>
<td>17.7</td>
<td>Gyeonggi(Gwacheon), Chungcheong(Gongju), Jeolla(Naju, Gimje, Namwon, Mokpo, Gunsan), Gyeongsang(Masan, Miryang), Gangwon·Jeju(Taebaek, (Seogwipo)</td>
</tr>
<tr>
<td>1995-1999</td>
<td>84</td>
<td>21</td>
<td>25.0</td>
<td>Gyeonggi(Seoul, Anyang, Gwangmyeong, Bucheon) Chungcheong(Nonsan, Boryeong, Gongju), Jeolla(Gimje, Naju, Namwon), Gyeongsang(Mungyeong, Sangju, Yeongju, Miryang, Andong, Sacheon, Tongyeong, Busan, Yeongcheon), Gangwon·Jeju(Taebaek, Samcheok)</td>
</tr>
<tr>
<td>2000-2009</td>
<td>84</td>
<td>24</td>
<td>28.6</td>
<td>Chungcheong(Boryeong, Jecheon, Gongju, Nonsan) Jeolla(Iksan, Jeongeup, Namwon, Gimje, Yeosu, Naju) Gyeongsang(Busan, Gyeongju, Yeongju, Yeongcheon, Sangju, Changwon, Masan, Jinju, Miryang), Gangwon·Jeju(Gangneung, Donghae, Taebaek, Sokcho, Seogwipo)</td>
</tr>
</tbody>
</table>

Source: Ministry of Government Administration and Home Affairs, Municipal Yearbook of Korea

Especially, population decline and the aging process are notable in Non-SMA(Seoul Metropolitan Areas). Urban population declined in 24 of total 84 cities from 2000 and 2009. And all of them are located in Non-SMA.

☐ Functional and spatial decay in population decline cities

Central government in Korea intentionally carried out an unbalanced regional growth policy to
achieve a rapid economic growth and urbanization within a short term. The urban development policy in growing cities was represented as a development of new towns and new industrial complexes.

At present, urban functional decay and deterioration in living environment in growing cities are rapidly increasing. The major public administration offices in the downtown of inner cities including the city hall, the court, the education office and the police station moved into edge cities. Business and recreation function in old downtown has been weakened at the same time. The living condition of the older residential area in inner cities has been degenerated as years go by.

2. Existing urban renewal tools and their limitations

☐ Existing urban renewal tools

Ministries of central government established the individual legislations for urban renewal and secured a budget for various urban renewal projects, but the visible result is insufficient. At present, 11 central government's ministries including Ministry of Land, Transport and Maritime Affairs (MLTM) have been promoting about 80 projects related to urban renewal.1)

Based on the enactment of 「the Special Act on the Promotion of Urban Renewal」 in 2005, local governments designated "regeneration promotion district" and prepared for "regeneration promotion plan". But, until now, the districts that started actual development are very limited. Here are some concrete examples. Seoul city government designated 26 regeneration promotion districts from 2002 to 2006. Wangsimni, Eunpyeong, and Gilum were designated as model regeneration promotion districts on October 12, 2002. 12 regeneration promotion districts in 2003 and 11 districts in 2005 are designated as second and third districts, respectively. The districts also include 5 demonstration promotion districts in 2003, 3 balanced development promotion districts in 2005 and Sewoon plaza in 2006. The total area of newtown is 27.22㎢ and it occupies 5% of the seoul city's total size.

---

1) Ministry of Culture, Sports and Tourism(19), Ministry of Land, Transport and Maritime Affairs(10), Ministry of Public Administration and Security(11), Ministry for Food, Agriculture, Forestry and Fisheries(10), Ministry of Education, Science and Technology(5), Ministry of Knowledge Economy(4), Small & Medium Business Administration(4), Ministry of Environment(6), Ministry of Health & Welfare(7), Ministry of Employment and Labor(2), Ministry of Gender Equality & Family(2). See also Appendix.
Figure 2 Regeneration promotion districts condition in the city of Seoul

Source: http://development.seoul.go.kr

Incheon city, the third largest city in Korea, designated 5 districts and the area is 3.65㎢. Gyeonggi province within SMA also designated 23 districts in 12 cities as a regeneration promotion district and the total area is 30.5㎢. Busan, the second largest city in Korea, has 5 districts(5.6㎢) and Daegu, the fourth largest city, has 9 districts(11.24㎢).
Legal and institutional limitations

- Uniform and abstract criteria for district designation
There are a legal minimum size criteria for district designation. In case that residential type should be larger than 500,000㎡ and downtown type should be larger than 200,000㎡. Except for those acreage criteria, boundary of the district determined due to subjective terms such as deterioration, malfunction and overcrowding. As a rule, ordinance of local government has been used as substantial district designation criteria. But it is also not objective because it heavily depends on year of construction. Excellent profit of regeneration promotion district is the most important factor in practical development decisions.

- Absence of site-specific development program
Urban regeneration projects have been progressing in Seoul city with high development demand. The individual regeneration project aims to maximize the development profits of renewal union and private developers.
Generally, These kind of development pattern characterized by high-rise apartment buildings, big house size, sale rather than lease and low relocation rate of original residents and small retailers. Present development pattern also focused on physical improvements.

Source: [http://www.giconewtown.co.kr](http://www.giconewtown.co.kr)
There are lots of urban regeneration promotion districts in Seoul and other large cities, but the districts that are started actual development are very limited. Most urban regeneration plans were made by referring to the case of Seoul city. Seoul city has relatively plentiful development demand and city government can support some of infrastructure installation cost. Other cities already show high housing supply rate, low development demand and low infrastructure cost assistance. Thus, other cities could not apply the method what the Seoul city did. Only 'residential environment improvement projects' in other cities are relatively active because local government by law should support financial costs directly.

3. Improvement methods of urban regeneration projects

☐ Basic requirements

- Respect of the unique characteristics of the city or districts

Planners or designers should know and respect the ecological network that was accumulated by various social classes in districts for a long time. It is also very important to understand the unique characteristics and assets of cities or districts in preparing for regeneration promotion plans.

- Preparation of a comprehensive urban regeneration policy

Urban regeneration projects should contribute to the improvements of physical conditions as well as the conservation of districts's social, economic and cultural characteristics. In addition to physical renovation, comprehensive improvement strategy including job creation and investment attraction will be very important in the near future. Customized and comprehensive urban regeneration policy, harmonized with characteristic of district and its surrounding area, are important to increase the feasibility of the project. Urban regeneration projects also need positive linkage inter and intra government departments.

☐ Policy direction for new approach

- Respecting the unique characteristics of the city or districts

Urban development paradigm in rapid economy growth period was supplier oriented and quantitative approach. Now the paradigm should change to consumer-oriented qualitative improvement. Some European Union, Japan, and US already switched the development paradigm as qualitative improvement for consumer-directed service.

- Providing a differentiated urban regeneration strategy

Urban regeneration strategy should be differentiated according to district's inherent conditions and characteristics. It is important to reflect district's inherent social and economic characteristics. The strategy can be started with detailed examination on elements like changes in population and social
and industrial structure. Entire city vision and growth direction are also important factors. It will be helpful to categorize according to city or district's characteristics; SMA vs Non-SMA, Big city vs small or mid-sized city, and growing city vs declining city.

- Identify and take advantage of the unique assets in districts

Generally, there are various intangible and tangible assets in old regeneration promotion district and its periphery area. Although the criteria can be vary depending on the classification method, this study classifies as four community assets; natural, social, structural and economic assets (Northwest Minnesota Foundation, 2005). The foundation, for example, defines social assets as "Peace and Quiet, Effective Leadership, Diverse Population, Unhurried pace, Public Safety, Social and community Networks, Effective Organizations, Lack of Congestion, Family Relationships, Churches". We make the regeneration district a better place to live and work by protecting natural assets, enhancing the social assets of people and organizations, maintaining and improving structural assets and strengthening and diversifying economic assets.

- Preparing customized regeneration strategies based on the city/district type

Regardless of city or district type, urban regeneration projects in Korea can be summarized few words as complete demolition, high-rise apartment buildings, and residential-commercial mixed use building. This study classifies city characteristics into three types, that is, growing city, stagnant city and declining city. Accordingly, the supporting system and regeneration policy according to types should be different as well.

Figure 4 The attributes of a place that affect one's quality of life

![Diagram of assets and quality of place](http://www.nwmf.org/about/annual-report.htm)
4. Urban regeneration implementation strategy

☐ Customized urban regeneration strategies

■ Growing city/community
Balanced distribution of urban development demand in growing city can contribute the harmonious growth of urbanized areas and non-urbanized areas, and raise the city's future competitiveness. Balanced growth strategy can be realized with regeneration project in the old city and new development in suburban greenfield. Local governments can induce the investment of private sector through deregulation. But the regeneration needs a density regulation to minimize the side effects such as traffic congestion over the excessive development.

■ Stagnant city/community
Limited development demand should be distributed evenly both urbanized area and non-urbanized area. But the priority in development should be given the urbanized area to enhance the land use efficiency of decaying area. Community stakeholders in regeneration promotion district should try to minimize the number of demolition building and maximize the number of retention facilities. Gradual and cyclical development process are also important factor to facilitate the resettlement of original residents and retailers.

■ Declining city/community
First of all, it is important to admit frankly that the development demand in declining city will be very limited in the future. Community should increase the efficiency and feasibility of development promotion districts by choosing strategic areas, concentrating on public finance and performing sustainable model projects. Community strive to improve the quality of the life by installing or improvement of resident-oriented infrastructures such as footpath, bike lane and pocket park rather than large-scale projects.

☐ Formation of collaborative partnerships
Collaborative partnerships of stakeholders including government officials, residents, developers and experts should be formed and their active participation is important issue. Legal support system is also necessary to participate in the stakeholders from the early stage of planning to resolve the conflict in advance. Active program management make key role in problem recognition, setting of goal and principles, citizen participation method and consensus building on construction guidelines.

☐ Link the district boundary with community's spatial scope
Spatial scope of regeneration promotion districts should be set to match the spatial boundaries of community that residents generally could recognize. By executing community-oriented urban
regeneration plan, the regeneration project can fortify the solidarity for the community as well.

☐ **Respect to existing tangible and intangible assets**

The old city has created a complex intangible and tangible ecological network over time, so it should be respected. We should investigate the community leadership, situation of public and private organizations, values and preferences of residents in promotion districts. These assets should be respected and actively used in regeneration program. After regeneration project, we also think how to maintain the districts.

☐ **Customized urban regeneration strategy**

■ Consolidated 'Job-Housing Balance'

Urban regeneration project should contribute to the improvements of physical environments as well as nonphysical conditions. The comprehensive environmental improvements projects contains programs like housing remodeling, economic growth, improvements of community social environment and quality job creation.

■ Understanding and utilization of urban ecological structures

The regeneration policy and strategy are promised on the understanding of various social classes, income level and economic structure in community. It also should recognize and utilize the specific historic, cultural and environmental assets. First of all, the benefits of development should be allocated to residents and retailers in regeneration promotion districts and their surrounding areas.

■ Integrative management and operation of projects

Implementation of sporadic project by different government departments in a same district can cause inefficient financial waste. Management and operation by integrative single entity can increase the consistency and persistence within district.

☐ **Integration and enlargement of public finances**

Consistency, connectivity and syntheses in regeneration policy can be enhanced by closely linking or integrating individual regeneration budgets in central or local government's departments. Integrated public finance supporting system can induce a synergy effect in project implementation. We can easily anticipate that the importance of urban regeneration in urban growth management and urban development policy will increase continuously in Korea. Priority in budget allocations for sustainable urban management should be given to old downtown and residential areas in the near future. Urban regeneration policy could be successful under the premise that continual public interest and enlargement of public finances.

KRIHS-UCL joint Seminar ● 112
### Appendix

Government departments and their project names

<table>
<thead>
<tr>
<th>The government department</th>
<th>Project names</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Land, Transport and Maritime Affairs (10)</td>
<td>① Creating a livable city ② Residential environment improvement project ③ Redevelopment and reconstruction project ④ Promotion renewal project ⑤ Urban development project ⑥ Renewal of the old industrial ⑦ Environmentally friendly river improvement project ⑧ Congested road in metropolitan improvement project ⑨ Road safely improvement project ⑩ Distribution complex access road support</td>
</tr>
<tr>
<td>Ministry of Public Administration and Security (11)</td>
<td>① Small town development project ② Information village industry ③ Creating a livable city and community ④ Empty house improvement project ⑤ Creating safety city ⑥ Creating beautiful public lavatory ⑦ Building a eco-friendly bike roads ⑧ Creating business-friendly local environment ⑨ Non-profit organization support project ⑩ School zone improvement project ⑪ Creating welfare village by residents project</td>
</tr>
<tr>
<td>Ministry for Food, Agriculture, Forestry and Fisheries (10)</td>
<td>① Comprehensive rural village development project ② farming and fishing new-town project ③ Rural living environment improvement project ④ Building mountain eco-village project ⑤ Creating urban forest management ⑥ Creating forest ecology ⑦ Stream management ⑧ Installation of digital room(Sa-rang) support ⑨ Creating rural village ⑩ Creating traditional green village</td>
</tr>
<tr>
<td>Ministry of Education, Science and Technology (5)</td>
<td>① Regional human resource development project ② Educational welfare investment priority areas support project ③ School and society relate to culture &amp; Arts education project ④ Creating lifelong learning city project ⑤ Induce the formation of school communication through after school</td>
</tr>
<tr>
<td>Ministry of Culture, Sports and Tourism (19)</td>
<td>① Cultural space planning in every place, consulting support project ② Pilot project for traditional market boosting through cultural ③ Creating culture-friendly space ④ Public arts project ⑤ Building a regional video media center ⑥ Local culture industry research institute support ⑦ Utilization of local college and region culture consulting support ⑧ Creating traditional culture infrastructures ⑨ Performing arts event support ⑩ Building a culture-art Center complex ⑪ Constructing public cultural facility project ⑫ Constructing public museum and art gallery ⑬ Constructing public library ⑭ Local sports facilities support ⑮ Expanding art infrastructure project ⑯ Creating cultural historic village ⑰ Local sports facilities support ⑱ Expanding public sports facilities in village ⑲ Public sport facility expanding region innovation centers</td>
</tr>
<tr>
<td>Ministry of Knowledge</td>
<td>① Design denter project ② Technopark Project ③ Regional innovation center project ④ Constructing new renewable energy center</td>
</tr>
<tr>
<td>Economy (4)</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Small &amp; Medium Business Administration(4)</td>
<td>① Modernization of traditional market facility ② Organizing traditional market project ③ Building small-medium size distribution center ④ Venture firm promotion district support</td>
</tr>
<tr>
<td>Ministry of Health &amp; Welfare (7)</td>
<td>① Farming and fishing village medical treatment service improvement ② Local medical treatment project ③ Youth facility project ④ Youth facility project ⑤ Youth study-room support project ⑥ Dream start project ⑦ Child community center</td>
</tr>
<tr>
<td>Ministry of Employment and Labor(2)</td>
<td>① Customized employment policy ② Social enterprise promotion policy</td>
</tr>
<tr>
<td>Ministry of Gender Equality &amp; Family(2)</td>
<td>① Employed woman support project ② Customized vocational education project</td>
</tr>
</tbody>
</table>
Urban Development Policy in a Transitional Age in Korea

2011. 2. 10
Wang Geun Lee
(Research Fellow, KRIHS)

I. Introduction
II. Existing urban renewal tools and their limitations
III. Improvement methods of urban regeneration projects
IV. Urban regeneration implementation strategy
I. Introduction

Population decline trend in Korea cities

Shrinking Populations
- Low TFR (Total Fertility Rate) and aging society are rapidly progressing in Korea. 'Statistics Korea' anticipate that Korea society will be changed into population decline country since 2018.

Socio-Economic Changes
- While the number of population decline cities in the city scale is continuously increasing, socio-economic conditions which are related with urban development are changing.
Population decline trend in Korea cities

A gradual increase of Shrinking Cities

- Population decline trend in city scale has accelerated since the 1990s.
- The number of population decline city was 11 of 62 cities from 1990 to 1994 and the number increased 21 of 84 cities from 1995 to 1999.

Population decline in small-and-medium local cities

- Population decline and the aging trends are notable in Non-SMA (Seoul Metropolitan Area).
- Urban population declined in 24 of total 84 cities from 2000 and 2009. And all of them are located in Non-SMA.

Population decline trend in Korea cities

Population change trend of city level

<table>
<thead>
<tr>
<th>Year</th>
<th>Total number of cities</th>
<th>Number of population decline cities</th>
<th>Ratio (%)</th>
<th>Name of population decline cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-1984</td>
<td>38</td>
<td>1</td>
<td>2.6</td>
<td>Donghae</td>
</tr>
<tr>
<td>1985-1989</td>
<td>53</td>
<td>2</td>
<td>3.8</td>
<td>Taebaek, Jecheon</td>
</tr>
<tr>
<td>1990-1994</td>
<td>62</td>
<td>11</td>
<td>17.7</td>
<td>Gyeonggi (Gwangju, Chungcheong (Gangju), Jeolla (Naju, Gijang, Namwon, Mokpo, Gunsan), Gyeongsang (Mason, Miryang), Gangwon)</td>
</tr>
<tr>
<td>1995-1999</td>
<td>84</td>
<td>21</td>
<td>25.0</td>
<td>Gyeonggi (Seoul, Anyang, Gwangju, Bucheon), Chungcheong (Nonsan, Boeun, Gungju), Jeolla (Gimje, Naju, Namwon, Gyeongsang (Mungyeong, Sangju, Yeongju, Miryang, Andong, Sacheon, Tongyeong, Busan, Yeongdeok), Gangwon)</td>
</tr>
<tr>
<td>2000-2009</td>
<td>84</td>
<td>24</td>
<td>28.6</td>
<td>Chungcheong (Boryeong, Jecheon, Goseong), Jeolla (Iksan, Jeongseon, Nonsan, Gimje, Yeosu, Naju), Gyeongsang (Busan, Gyeongju, Yeongju, Yeongdeok, Sangju, Changwon, Masan, Jinju, Miryang), Gangwon (Gangneung, Donghae, Taebaek, Sokcho, Seogwipo)</td>
</tr>
</tbody>
</table>

Resource: Ministry of Government Administration and Home Affairs, Municipal Yearbook of Korea
Functional and spatial decay in population decline cities

Urban functional decay in the downtown

- Central government intentionally carried out an unbalanced regional growth policy to achieve a rapid economic growth and urbanization within a short term.
- Urban functional decay and deterioration in living environment in population decline cities are rapidly increasing.
- Business and recreation function in downtown has been weakened.
- The living condition of the older residential areas in inner city has been degenerated as years go by.

II. Existing urban renewal tools and their limitations
# Existing urban renewal tools

## Government departments and urban renewal projects

- Ministries of central government established the individual legislations for urban renewal and secured a budget for various urban renewal projects, but the result is insufficient.

- At present, 11 central government’s ministries including Ministry of Land, Transport and Maritime Affairs (MLTM) have been promoting about 80 projects related to urban renewal.

<table>
<thead>
<tr>
<th>Government department</th>
<th>Project names</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Land, Transport, and Maritime Affairs (11)</td>
<td>Creating a bricate city (Residential area renewal project) @Kyungnam, Haenam, and Gyeongju</td>
</tr>
</tbody>
</table>
Existing urban renewal tools

- **Regeneration promotion project in Seoul city**
  - Seoul city government designated 26 regeneration promotion districts from 2002 to 2006.
  - Wangsimni, Eunpyeong, and Gilum were designated as model regeneration promotion districts.
  - At present, the total area of districts is 27.22 km² and it occupies 5% of the Seoul city’s total area.

- **Enactment of basic laws on Regeneration promotion project**
  - In 2005, based on the enactment of "the Special Act on Promotion of Urban Renewal", local governments designated "regeneration promotion district" and prepared for "regeneration promotion plan".

Resource: http://development.seoul.go.kr
Existing urban renewal tools

- Masterplan for 「Wangsimni」 district

Existing urban renewal tools

- 「Eunpyeong」 district master plan and high-rise apartment
Existing urban renewal tools

- Gilum districts master plan and high-rise apartment

Existing urban renewal tools

- Regeneration promotion districts in Gyeonggi province
Legal and institutional limitations

■ Uniform and abstract criteria for district designation
  - Except for a acreage criteria, boundary of the district determined due to subjective terms such as deterioration, malfunction and overcrowding by ordinance of local government.

■ Absence of site-specific development program
  - The main goal of project is to maximize the development profits of renewal union and private developers.

■ Relatively low implementation percentage
  - Most urban regeneration plans was made by referring to the case of Seoul city that has relatively plentiful development demand.

III. Improvement methods of urban regeneration projects
Basic requirements

- Respect of the unique characteristics of the city or districts
  - In preparing for regeneration promotion plans, understanding the ecological network, unique characteristics and assets of cities or districts are essential.

- Preparation of a comprehensive urban regeneration policy
  - Urban regeneration projects should contribute to the improvements of physical conditions as well as the conservation of district's social, economic and cultural characteristics.

Policy direction for new approach

- Respecting the unique characteristics of the city or districts
  - Urban development paradigm should change to consumer-oriented qualitative improvement.

- Providing a differentiated urban regeneration strategy
  - Urban regeneration strategy can be started with detailed examination on elements like changes in population and social and industrial structure.
  - Entire city vision and growth direction are also important factors.
Policy direction for new approach

- Identify and take advantage of the unique assets in districts
  - We make the regeneration district a better place to live and work by protecting natural assets, enhancing the social assets of people and organizations, maintaining and improving structural assets and strengthening and diversifying economic assets.

<table>
<thead>
<tr>
<th>Structural Assets</th>
<th>Natural Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>School, Housing, Streets and Roads</td>
<td>Clean Air and Water, Recreation Opportunities, Wildlife Observation, Hunting, Trail Systems, Open Spaces, Forests, Lakes, Public Lands, Dark Skies</td>
</tr>
<tr>
<td>Water and Sewer, Hospitals and Clinics</td>
<td>Convention Centers, Government Offices, Telecommunications, Entertainment Venues, Eating and Drinking Establishments</td>
</tr>
<tr>
<td>Shopping Districts, Sports Facilities</td>
<td></td>
</tr>
<tr>
<td>Convention Centers, Government Offices, Telecommunications, Entertainment Venues, Eating and Drinking Establishments</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social Assets</th>
<th>Economic Assets</th>
</tr>
</thead>
</table>

IV. Urban regeneration implementation strategy
Customized urban regeneration strategies

▶ Growing city/community
- Balanced distribution of urban development demand in growing city can contribute the harmonious growth of urbanized areas and non-urbanized areas, and raise the city's future competitiveness.

▶ Stagnant city/community
- The priority in development should be given the urbanized area to enhance the land use efficiency of decaying area.
- Gradual and cyclical development process is important factor to facilitate the resettlement of original residents and retailers.

▶ Declining city/community
- Community should increase the efficiency and feasibility of development promotion districts by choosing strategic areas, concentrating on public finance and performing sustainable model projects.

Formation of collaborative partnerships

- Collaborative partnerships of stakeholders including government officials, residents, developers and experts should be formed and their active participation is important issue.
- Legal support system is also necessary to participate in the stakeholders from the early stage of planning to resolve the conflict in advance.
- Active program management makes a key role in problem recognition, setting of goal and principles, citizen participation method and consensus building on construction guidelines.
Link the district boundary with community's spatial scope

- Spatial scope of regeneration promotion districts should be set to match the spatial boundaries of community that residents generally could recognize.

- By executing community-oriented urban regeneration plan, the regeneration project can fortify the solidarity for the community as well.

Respect to existing tangible and intangible assets

- The old city has created a complex intangible and tangible ecological network over time, so it should be respected.

- We should investigate the community leadership, condition of public and private organizations, values and preferences of residents in promotion districts.

- These assets should be respected and actively used in regeneration program.

- After completing regeneration project, we also think how to maintain the districts.
Customized urban regeneration strategy

- Consolidated 'Job–Housing Balance'
  - Urban regeneration project should contribute to the improvements of physical environments as well as nonphysical conditions (economic growth, improvements of community’s social environment and quality job creation etc).

- Understanding and utilization of urban ecological structures
  - The regeneration policy and strategy are promised on the understanding of various social classes, income level and economic structure in community.

- Integrative management and operation of projects
  - Management and operation by single entity can increase the consistency and persistence

Integration and enlargement of public finances

- Consistency, connectivity and synthesis in urban regeneration policy can be enhanced by closely linking or integrating individual budgets in central or local government’s departments.

- Integrated public finance supporting system can induce a synergy effect in project implementation.

- Also, Urban regeneration policy could be successful under the premise that continual public interest and enlargement of public finances.