Localism and the Manifestos A tale of GVAs, garden villages, grandees and The Guardian (but not much greenery)

Abstract: Will localism form part of the forthcoming election manifestos? If so, what exactly? Some early indications on the Coalition side.

The Localism Act's been around for over three years. As the May Election approaches, politicians have been analysing the Coalition's take on localism. Some have even set out shopping-lists for what localism should be in future, if and when the new order takes over. Will any make it into the party manifestos, let alone the statue book?

What's on offer?

Let's start from the top. When David Cameron launched the Conservative manifesto in 2010, he invited the British people to 'join the government', promising that his administration would be the most localist the country had seen for a generation. So what have the government's own supporters been saying? The New Local Government Association (NLGN) and Renewal, the social democracy journal that 'aims to subject the left's politics to honest, constructive, and rigorous scrutiny', have jointly published *Conservatives Local Offer*. This essay collection contains pieces by its sponsors' directors, two Tory MPs, three council leaders and a representative of the Taxpayers' Alliance. It's been prepared with the objective of 'building a new, robust case for localism'.

Subsidiarity, anyone?

Like many such collections, the articles vary in quality and focus, but with the tacit acknowledgement that the localism agenda hasn't gone entirely to plan and needs tweaking. The majority pinpoint the centralist, silo mentality that remains at the heart of UK government. The most perceptive piece, I think, comes from Kent County Council leader Paul Carter. He sees the Coalition's 'ad-hoc, under-planned and under-delivered' approach to localism as running counter to the ideal of subsidiarity: in other words, higher authorities should only take charge of what lower tier bodies can't do for themselves. Carter cites Manchester's emerging combined authority, which despite the Devo-Manc ballyhoo, remains subservient to Iain Duncan Smith's centralist DWP in delivering the conurbation's Work Programme.

More importantly in Carter's view, the government's rush to instigate a new local planning regime – on which Localism Watch has regularly <u>commented</u> – has brought confusion and inconsistency to strategic infrastructure planning. Where once there were legally-binding area-wide plans, the Localism Act's hard-to-enforce 'Duty to Co-operate' between neighbouring areas means multi-layered postcode lotteries. District councils now struggle to get their local plans adopted, resulting in development 'free-for-alls' and an inability to plan for important public services.

But as befits subsidiarity, Paul Carter won't tread on the toes of his metropolitan colleagues, and takes the not-knowingly-undersold elected mayor model as a given. He praises John Major's role in writing subsidiarity into the Treaty of Maastricht to limit Brussels' powers, but offers no clear prescription for how it can inform future Conservative policy.

Growth vs integration?

This inability to connect wish-lists to deliverables runs through *Conservatives Local Offer*. NLGN director Simon Parker, while noting that a key objective of localism is to 'drive growth' (a ubiquitous neoliberal catchphrase) he observes that 'if your local economy has little capacity for growth and your population is deprived, then you are really in trouble'. He talks about the jarring disjuncture between 'the local growth state and the local social state', and the Big Society's failure to match a retreating state with increased social action. But this failure, says Parker, is only partial. He believes that 'important progress' has been achieved in areas like community asset transfer, neighbourhood planning and creating public service mutuals. (As Localism Watch and the NCIA's recent <u>inquiry</u> into the state of voluntary services in the UK have amply demonstrated, his optimism is sadly misplaced. *Conservatives Local Offer* consistently takes a detached managerial view of the role and status of voluntary services and those who provide them: as a cheap and compliant alternative to publicly-run services.)

Parker, however, acknowledges that the Chancellor's plans to <u>cut local authority budgets</u> by around 40% over the coming decade, plus the stringent criteria for council tax referendums, make it difficult for councils to maintain decent public services and cast doubt on any notion of independently-set local taxation. He appears to be saying that localism, which is essentially bottom-up governance, isn't working well because the Coalition's overall policy framework is inherently top-down.

Parker's answer is for more devolved government, integrating budgets and allowing councils 'to find synergies and remove duplication'. He concludes with the throwaway line that 'the next parliament provides an opportunity for the Conservatives to make our cities sustainably (sic) by making them strong and free.' But he hasn't solved the conundrum of this can happen, given the well-known rivalries between neighbours, and widespread public disillusionment with politicians. But then, the NLGN exists to speak for the elected, not the electorate.

Or neoliberals vs patricians?

LB Westminster leader Philippa Roe gives an unashamedly neoliberal twist to her localist agenda: *Free Cities to End Dependency and Opportunity for All*. For her, austerity isn't a challenge but a spur to hyper-efficient municipal government. Her article proudly enumerates the millions of pounds saved through an integrated and shared services culture, showcasing a movement 'away from faceto-face/telephone contact to online provision'. Apart from hosting the national seat of government, Westminster has an exceptionally affluent electorate: one ward has an average weekly income of <u>f1,670</u>. As hers is a borough unlikely ever to meet Simon Parker's criteria for being 'really in trouble', the basis of Roe's localism shopping list is merely: 'We're not asking for a credit card: just credit where it's due.'

Laura Sandys MP feels that localism has been sidelined from the agenda. She rails against 'the facelessness and dehumanisation of authority', epitomised in call-centre-based services – something which, as the member of an <u>eminent Tory dynasty</u>, must run counter to the spirit of paternalistic neo-feudalism in which she was raised. It's certainly a world apart from Philippa Roe's fully-synchronised online administration in LB Westminster. Like a grainy newsreel speech of a pre-war patrician, Sandys' prescriptions are rhetoric-rich but evidence-free: 'we need to turbo-charge localism', 'join the government of Britain', and so on. After only one term in Parliament, she's

standing down as MP for Thanet South – a constituency that UKIP's Nigel Farage has <u>high hopes of</u> winning in May.

Bob Neill MP had a short spell as a junior minister under Eric Pickles, with a <u>brief</u> that included local government and planning. His piece stems from the government's knee-jerk response to the Scottish independence referendum: a promise to devolve more powers to England, and in particular, the early move to transfer responsibilities to a Greater Manchester combined authority. Neill sees future devolution as an incremental, pick-and-mix process, focused initially on those cities with the greatest potential to generate a positive Gross Value Added (GVA).

Surprisingly for an ex-minister with a national remit, his ability to offer a workable, joined-up localism agenda is limited: he makes no mention of communities with a low or negative GVA beyond the big conurbations. His statistical skills are, at best, idiosyncratic: after making much play of building a new localism that's incremental and tailored to local circumstances, Neill goes on to justify Devo-Manc on the basis that the conurbation has a higher GVA and population than Northern Ireland.

Ultimately, the mixed bag of proposals in *Conservatives Local Offer* has little prospect of making it into the party's election manifesto. None of the contributors are top-table Tories. More importantly, none of the issues they address are clear vote-winners in a contest whose outcome remains anything but clear.

Homes fit for localists?

As we've said <u>previously</u>, the elephant in the room for town planners is finding a way to provide enough new houses in the right places for those who need them. The uneven spread of jobs and prosperity, the growing number of households, the haemorrhaging of social housing stock through the Right to Buy, soaring house prices and the failure of planners and developers to see eye-to-eye all contribute to the 'housing crisis'. Several official reports have shown the need for around a <u>quarter of a million</u> new homes to be built in England each year, just to meet demand, plus another 60,000 per annum to address the backlog caused by past under-provision. House building in England rose in the postwar years to <u>reach a peak</u> of 352,540 in 1968, but has steadily fallen since then. Despite the Coalition's promises, only <u>112,000</u> were built in 2013-14.

Policy Exchange, which calls itself 'the UK's leading think tank', has just published a paper by Lord Matthew Taylor and Christopher Walker, entitled <u>Garden Villages: Empowering Localism to Solve the</u> <u>Housing Crisis</u>. Policy Exchange is a right-wing standard-bearer, <u>much admired by David Cameron</u> and <u>hailed in the Evening Standard</u> as 'the boot-camp of the Tory modernisers'. Its co-founders were Michael Gove, Francis Maude and Gove's ex-flatmate Nick Boles. Boles was a junior planning minister before his sideways move to the Business and Education departments

Filling the vacuum with garden villages

Baron Taylor of Goss Moor is a prominent Liberal Democrat, who was previously his party's environmental spokesperson in the Commons. In 2012, the Coalition commissioned him to prepare a review on planning practice guidance: they'd just ripped up over half a century's worth of planning

<u>policy</u> and needed help to fill the vacuum. The following year, Taylor set out <u>recommendations</u> for how planning guidance could be rationalised through a web-based resource.

His Garden Villages paper argues that the current lack of housing development land is due to the 'sequential development' principle that underscores the planning system: in other words, it's presumed that new buildings will be sited on the edges of existing settlements. Taylor argues that this 'ramps up' local opposition to development, forcing many councils to release only as much new residential land as they can get away with politically. Several market towns and small villages have now exhausted the sustainability of such expansion: the new residential areas won't be easily accessible on foot or bike from town centres and other key locations, increasing pressures on roads, green space and public amenities.

Because everyone will know where the next wave of dwellings are likely to be built, this increases land prices, benefitting landowners and speculators, not the community at large. This in turn raises housing densities, the end result being garden-less 'rabbit hutch' homes. Another result is NIMBYism, ('not in my back yard') with established communities campaigning against development that they consider socially and visually disruptive.

Taylor recognises, however, that such concerns have long existed, citing the Attlee government's attempts to tackle urban sprawl through the 1946 New Towns Act and the 1947 Town and Country Planning Act, which designated Green Belts. He says that no new towns have been created since 1970 because they were part of a post-war 'centralised command and control construct when the legitimacy of the role of government was never more accepted'. Taylor also claims that the original new towns 'deal' with local communities centred on 'green belt protection in return for new towns': the extent of designated green belt rose from 0.6m to 1.6m hectares between 1979 and 1997, and has <u>remained</u> at approximately that level ever since.

A million new homes - but no disruption?

Taylor therefore proposes a 'modernised and localised' New Towns Act, giving councils – not central government – powers to create new communities (garden villages) that would meet local needs. This, he believes, would allow councils to 'capture' most of the increased land values to pay for the necessary infrastructure, reduce new house prices and make planning applications for unwelcome development easier to resist. Councils would establish 'light touch', locally-led agencies to design these settlements, define quality standards and engage a mixture of contractors, ranging from volume and small builders to self-build and not-for-profit organisations.

Taylor's overall vision is one in which each of England's 353 local authorities would designate a single garden village with 3,000 – 5,000 dwellings, creating around a million extra homes over a 10 year period, 'all without destroying the places we know and love'. On paper, this reads like a perfect solution: a heavenly host of new Jerusalems in England's green and pleasant land. But although it's claimed that No. 10 believes the proposals are 'a goer as a potential election manifesto idea', and the Policy Exchange paper has received extensive coverage across the technical press, closer inspection reveals a catalogue of fatal flaws in its arguments.

Is it really a Taylor's dummy?

Whatever our views on *The Guardian*, we can always rely on its broad readership to make perceptive comments, often debunking those whose social status traditionally affords them the right for their utterances to be accepted without question. After all, it's not just the Coalition who've tapped into Lord Taylor's sage counsel: in 2007, the then Labour government commissioned him to prepare a <u>report</u> on the economy and affordable housing in rural areas. After filtering out the inevitable unsubstantiated invective, there remains a solid core of Guardian readers capable of applying systematic analysis to the proposed garden villages.

They quickly reject the facile assumption that a million homes could easily be provided over a ten year period. It's based on a notion that the level of unmet demand for the same kinds of housing is identical right across England – a palpable untruth, as job provision and economic growth are strongly focused in London and the South East, (a pattern accentuated by the policies of successive governments) with huge swathes of empty homes in less prosperous regions. Not only that, research shows that there are already sites with planning permission for 400,000 homes that remain unbuilt, plus brownfield and derelict land to accommodate a further 550,000 without the need for formal permission.

Then there's the bigger question of who's going to pay for Taylor's villages. Several Guardian readers point out that it's difficult to see how the unprecedented number of 20-34 year olds forced into living with parents or sharing overpriced private rents; the 5 million existing on a minimum wage or less; or those on zero-hours contracts can possibly raise the deposit for a mortgage. More strategically, given that the harshest public sector cuts are yet to come, there's little chance of cash-strapped councils having the means to implement the complex procedures for establishing garden villages. How, for example, would they progress compulsory purchases, as these must be conducted on the basis of full market value?

Furthermore, how would a balanced mix of housing types and ownerships in the villages be established without strict market controls - a signature feature of the Attlee government that brought in the New Towns Act, and which attracts Lord Taylor's fierce criticism? This leads other commentators to a more fundamental truth: it's the developers' profit motive, expressed in soaring land values, that lies at the root of the housing crisis – not NIMBYs, immigrants or town planners.

The point's also made that statistics, used rhetorically, can be the last-but-one refuge of a scoundrel. A 3,000 dwelling 'garden village' is in reality a small town of up to 8,000 inhabitants. If each local authority area contained two such villages, that would yield 2 million new homes across England. And if each village contained not 3,000 but 6,000 houses, wouldn't that make 4 million? Simply put, they're fantasy figures.

As Guardian contributor 'Old Tom' puts it: "The sort of thinking displayed in this report would be laughed out of a planning module in the first year of a Geography degree course. If (the government) want houses built, they need to rely on something more than expecting private housebuilders to do it, whatever freedoms they wish to give them." And it's not just the perceptive but anonymous Guardian reviewers who give Taylor's garden villages the thumbs-down. In a piece with the strapline 'will this dumb think tank never learn', the respected planning commentator

<u>Andrew Lainton</u> gives them particularly short shrift, as "yet again, a Policy Exchange dumb tank report abstractly removed from geography and place."

A Coalition politician with a conflict of interests? Unthinkable!

But there's more: Lord Matthew Taylor just happens to have a personal financial interest in these proposals. He's a director and paid shareholder of <u>Mayfield Market Towns Ltd</u>, which is pushing to build a 10,000 home development in the West Sussex countryside. Both district councils affected by this have already made sufficient provision for new homes elsewhere in their Local Plans and have strenuously opposed Mayfield. A planning inspector <u>rejected</u> the scheme at appeal, pronouncing it 'unsustainable'.

Others lined up against the noble lord include not just the Campaign to Protect Rural England (CPRE) but two local Tory MPs. Speaking to the Guido Fawkes blog, Nick Herbert <u>said</u> that Taylor's proposal for private developers to buy up land at 1.5 times the market rate to build new settlements "stinks more than the manure he wants to concrete over for profit." Last December, Herbert's next-door neighbour, the Member for Horsham, raised the matter as a Parliamentary Question. As Tory grandees go, few are grander than <u>Sir Christopher Soames</u>, who complements his prodigious girth with an equally prodigious lineage: he's the grandson of Sir Winston Churchill.

Everything in the garden isn't rosy

Lord Taylor's response to the housing crisis complements the 'garden cities' initiative that both sides of the Coalition have been vigorously promoting. Last April, Nick Clegg announced that <u>up to three</u> <u>garden cities</u>, each with a population of around 15,000, would be built, with funding 'top-sliced' from the government's existing £2.4 bn housing budget, and whose development would be hastened through flexible planning powers. The first is Ebbsfleet in Kent, on sites that already carry planning permissions for housing. Last December, the government confirmed that the second garden city would be <u>Bicester</u>, Oxfordshire: this, too, appears to be a cynical re-branding of existing development proposals that ran out of steam. Bicester is the sole example of Gordon Brown's much-derided '<u>eco-towns</u>' initiative that reached the bricks and mortar stage – a development that many of Bicester's existing residents view in less than complimentary terms.

When LBC's Nick Ferrari recently <u>questioned</u> Nick Clegg on how the garden cities would be funded, the Deputy Prime Minister became the living embodiment of evasiveness. Coming as it did in the aftermath of Ferrari's now-legendary '<u>brain fade</u>' inquisition of the Greens' Natalie Bennett, it's clear that no party has a properly structured or funded agenda for housing and planning. What's also clear is that few inside the Coalition understand what their localism agenda's about: it's got more holes than a Swiss cheese. It's hardly surprising, then, that their key spokespersons resort to flight-not-fight when asked to explain or justify it, or worse – as in the Mayfield case – that they squabble among themselves.

But has Labour a clearer and more workable model of localism? Or the Greens? Or, indeed, UKIP? In the coming weeks, Localism Watch will be working hard to separate the fact from the fiction. All contributions welcome from whatever direction.

Published 11.03.2015