

Keynote Address

The Right Hon. Greg Clark MP

Chairman, Ladies and Gentlemen,

It's a great honour to be asked to speak to open this conference, which, in its 41st year, has become an important institution in the world of planning, and it is a particular honour to do so at the beginning of a weekend dedicated to the memory of a previous chairman of this conference, the late Peter Harrison QC.

The results of Peter Harrison's advocacy will, though they may not know it, be enjoyed by people all over Britain through beautiful buildings he helped secure, blight he helped see off, and principles he helped clarify, and so, endure. I also know from conversations with friends of Peter in recent months, that his life is also reflected in the finer judgement, greater confidence and deeper learning of those, some of whom are here tonight, who had the good fortune to have been guided by him during their own careers.

The Organising Committee asked me to comment on the National Planning Policy framework, 18 months since I presented it to Parliament and then, reflecting on my role as Minister for Cities, to share with you some thoughts on the challenges for the planning profession in a world in which, for the first time in human history, more people live in cities than outside them.

Having been appointed Financial Secretary to the Treasury shortly after publication of the Framework, I want to take this opportunity to say "thank you" to the many people in this hall who helped shape the Framework. It was the week before Christmas 2010, when I asked a planning consultant, a house builder, an environmentalist and a council leader to, in effect, lock themselves away to produce a single draft framework as a suggested replacement for 44 PPSs and PPGs and Chief Planner's Letters. When I specified that it should be one on which they were all agreed, they didn't know quite what they'd let themselves in for. But John Rhodes, Pete Andrew, Simon Marsh and Gary Porter did an exceptional job.

Virtually every person in this Hall debated the NPPF during the consultation. It was exceptionally thorough, and passionately argued. That's as it should be. Planning should engage the heart, as well as the head. It's about how life will be lived for generations to come. None of you specialised in planning because you wanted a quiet life. With my excellent officials, Steve Quartermain, Shona Dunn, Ruth Stanier, Denise Fowler and many other colleagues, we took seriously every submission and weighed up the expression of every line of the Framework.

On the eve of publication there were three confident predictions made of the NPPF:

- that the framework would be halted by judicial review, triggering a hiatus in the planning system;
- that such a condensed text would mean years of uncertainty as case law devined the meaning of the new language; and
- that as a consequence the first two, plan making and planning applications would be stalled until these matters were resolved.

As it turned out, these fears did not come to pass. An application for a JR of the Framework was quickly and emphatically rejected.

Most people I have spoken to during the last year have found the language of the Framework to be, as I intended, clear and accessible. Those areas in which it is not definitive are generally those in which decision makers are expected to exercise judgement rather than read the mind of central government.

The results in plan making and planning applications determined are already striking: three-quarters of councils now have published plans, compared to only a third in May 2010.

Fewer planning applications are going to appeal, meaning more local decision making.

According to the Home Builders' Federation, the number of planning permissions for new homes was over 20 per cent higher in the first year of the NPPF than during the previous 12 months.

It's always easiest to do things the way they have always been done, but I'm convinced that without an ambitious objective and a vigorous and genuine consultation, the planning framework that would otherwise have resulted would have been a missed opportunity. It is notable that almost no-one would rescind the NPPF and return to the previous suite of policy.

A timeless feature of national debate on planning policy is its focus on the countryside. That should not surprise us. The English countryside is one of the world's glories and the planning system we have was in a very large part conceived to safeguard it from sprawl and disfigurement. In this it has, without question, succeeded. The national debate about the National Planning Policy Framework was valuable and has underlined that we think as a nation about this.

Most people agree that the beauty and the value of the countryside must be recognised and defended. Most people accept that land which has been used before should be re-used to the greatest extent possible. Most people believe that decisions about the use of land should continue to be governed by a rigorous planning process, in which local voices are heard. The suggestion that we should, in effect, abandon the planning process was made seriously by some think tanks, but it has been seen off. However, most people also accept that this doesn't mean that development in the countryside should never happen. Country people need jobs and homes too.

Rural towns and villages are, like strata of sedimentary rock, a visible history of the contribution of successive generations of, in every sense, the builders of communities. Such development can't be piecemeal, but must be in the right places and of the right quality, enhancing both the character and the vitality of rural towns and villages. There will always be contentious local decisions to be taken in particular places; whether a wind farm should be allowed to intrude on a cherished view, or whether a field that neighbours have been used to looking out over should be used to provide more homes.

I don't see any substantial challenge to the judgement that we struck in the Framework that communities should make every effort to meet the development needs of their own area, but that they should be required to respect the different character of each place. Indeed, for all the hue and cry, I believe that the main features of the planning debate about the countryside are now settled for a generation.

For all the importance of the English countryside to our sense of ourselves, it is our cities where most of us live, most of us work, most of us study, and where most businesses are based, and we're not alone. There is a global flourishing of cities. 2005 was the year in which 50 per cent of the world's population lived in cities for the first time. By 2050 it is projected that they will account for three-quarters of the global population. It is in cities where I believe some of the most exciting developments in planning, here and around the world, will take place during the years ahead. With around 60 per cent of jobs, and two-thirds of highly skilled workers, Britain will not succeed unless Britain's cities succeed.

This may seem paradoxical at a time when the digital age was thought to dissolve the constraints of geography, and yet the Harvard economist Ricardo Hausmann has shown that most of the differences in incomes and wealth across nations, can be attributed to how complex the economies of cities and countries are. Broadly speaking, poorer places make simple things that everyone else can make. Richer places make things that are complex that not everyone makes. Complex products or services depend on specialised contributions from a very wide and expert number of collaborators. In the US, the average employee works with 100 other people. In India he or she works with four. As Hausmann put it: "modern man is practically useless as an individual. Making a computer ...", or a car, or, dare I say, a planning application, "... is a team sport".

The relevance to urban policy is obvious. Cities are engines of complexity. Their primary purpose, their *raison d'être*, is to facilitate human interaction to a degree that would not be possible anywhere else. Successful clusters of economic activity, from the Inns of Court to Silicon Valley, have one common

denominator: they are all located within or near cities. Any successful economic policy must have the right macroeconomic conditions for growth. It must have the right microeconomic conditions.

But, of course, growth doesn't happen in the abstract, it happens in particular places and so a crucial third dimension of our growth policy has to be built on the importance of place. The most obvious requirement when looking to ensure that we have the right policies for our cities is to respect the fact that no two are alike. In their heritage, in their infrastructure, in their culture, in their workforces, in their policies, they differ enormously. Liverpool may be only 35 miles from Manchester, but no-one could regard them as being in any way indistinguishable.

It is simply impossible for Ministers or Civil Servants in Whitehall to seek to run, from central government, cities as diverse as these. That is why our policy is to return the power to shape cities to the people who live and work there. Last year we said to the leaders of the biggest cities outside London: "You take the initiative; you tell us what you would do if you had the powers currently vested in central government." At the same time, I agreed with the Cabinet that while anything proposed had to be rigorously considered, it was not possible simply to veto a proposal by saying, "it doesn't fit in with national policy". We created licensed exceptions to national policy.

The results have been striking:

- Greater Manchester is investing £2bn in return for a dividend from the Exchequer if it raises its trend rate of growth.
- Liverpool converted itself to a Mayoral authority and has established a string of Mayoral Development Zones to regenerate areas adjacent to the city centre.
- Leeds and its neighbours are working with local businesses to generate a job, training, or an apprenticeship of long-term work experience for every young person.

We have extended the process to 20 more cities. Last week Preston agreed a £450 million investment in road infrastructure to connect employment sites in the city by having 10 years' worth of transport funding devolved to it. This proposal—from the businesses and local authorities of Preston, South Ribble and Lancashire—not only creates jobs but allows 4,000 more homes to be built than were anticipated in its local plan.

Next month I will begin negotiations with the leaders of all 39 of the Local Enterprise Partnerships to strike deals that not only allocate £2 billion a year of dedicated funding to local priorities, but which allow authorities to challenge any piece of central government spending with the onus being on the government to justify why that should be retained centrally rather than devolved.

Planning will have to be done in different ways. One of the strengths of successful cities around the world is that they rise above the inherited administrative boundaries that often don't reflect the real economic geography of a city. Greater Manchester's combined authority has been a crucial feature of its success. Leeds and West Yorkshire, Sheffield and South Yorkshire, Tyneside and Merseyside have all embarked on moves to form combined authorities. These must be genuine whole city government, pooling business rates, creating joint local plans and common transport networks. Good transport planning is crucial to a successful city. If one side of Birmingham is not connected to the other side, the whole purpose of the city as a single entity is threatened.

International research also shows that connections between big cities are vital to economic success for all the reasons Hausmann observed. Successful modern cities are not like medieval walled cities, fortified against their neighbours, but are in a network with other cities: a cluster of clusters. Britain is unusual in having, outside London, a number of great cities that are poorly connected with each other and, to varying degrees, with the capital. Other countries such as Germany, France, Japan, China have brought their principal cities closer through fast, easy transport links.

It's one of the reasons why the City leaders of the North and Midlands are such passionate proponents of High Speed 2. It carries the potential to endow them with some of the benefits of a single city. With HS2 it will take 36 minutes to get from Birmingham to Nottingham, and 41 minutes from Birmingham to Manchester. These are less than the time it takes to cross London from Ealing to Stratford or from Enfield to Croydon. It has the potential to make our cities as well connected with each other as London is within itself, transforming the economic geography of our country.

For those who predict that better connections and faster journeys would advantage London at the expense of other cities, ask yourself this: Would Manchester be more or less prosperous if we doubled the journey time to London? Cities must attract people. The more attractive a city is, the more it will attract more, and more talented, people.

The Victorian city pioneers of this country knew that for their cities to prosper, a far-reaching view needed to be formed embracing every aspect of the life of a community. Joseph Chamberlain saw the economic success of Birmingham as being indivisible from its civic, cultural and educational flourishing. He galvanised the city to lay out the commercial and civic heart, but also ensured that the industrial city was softened by parks and gardens and fortified by a major new university. In three years as Mayor of Birmingham it was said that Chamberlain had left his city "parked, paved, assized, marketed, gas and watered, and *improved*". He was, if I may say so in this gathering, a town planner *avant la lettre*.

Of course, Chamberlain was not alone. I was born in Middlesbrough, a town that grew within 30 years from almost nothing to be one of the largest in the nation at the time. No permission from the Government was required, just the vision and willpower of its early leaders, most notable among them Henry Bolckow and John Vaughn, the ironmasters who drove the astonishing success of a town Gladstone called an "infant Hercules". Like Chamberlain, Bolckow and Vaughn recognised that economic success demanded a broad and long view of what a city needed, and so Middlesbrough was provided with fine municipal buildings, parks, schools, libraries, a museum and homes of a huge range and variety. One of my favourite possessions is a medallion struck to celebrate the unveiling on October 6, 1881 of a statue of Henry Bolckow, raised by public subscription to a man elected unopposed as Middlesbrough's first MP.

It is many years since local leaders like Bolckow were allowed to exercise the breadth of vision that provided the dynamism in the heyday of our great cities. The only people who get statues erected these days are national or international figures, but in Britain and around the world, the explosion of the importance of cities is bringing an intense new interest in how they can be given the freedoms, leadership and financial independence to succeed.

The possibilities and the experiences of lives lived in and around cities are as important and transformative to the way we live our lives as what we have already become used to in the impact of information technology. There will be a cadre of people who help turn vision into reality—which has been, of course, a defining purpose of planning. The growing importance of cities will challenge the planning profession as it is challenging the way Whitehall has governed Britain. I believe that with national planning policy broadly settled, with the debate about planning in the countryside concluded, the next big imperative for all of us in this room is to turn again to the future of cities.

Thank you for inviting me to join you tonight. I wish you well in your discussions and debates during what I know will be a stimulating weekend.