

Design for life

THE SMART REGENERATION JOURNEY TO 2030

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CHAPTER ONE

Place leadership

Key points

- Place leadership is the task of marshalling resources and stakeholders across sectors, using formal and informal mechanisms to chart a course for regeneration projects which is recognised and accepted by local residents.
- The current economic context, particularly in a country which is heavily centralised both fiscally and politically, increases the difficulty of place leadership and necessitates reform of national policy.
- Place leadership is required to create an overall vision for regeneration to consolidate partners under one umbrella outcome, within which more specific targets may be set.
- In the absence of formal strategic planning arrangements, place leaders must try to work around a planning system which can be obstructive to regeneration and make use of mechanisms like developer contributions and neighbourhood forums to deliver socially and economically beneficial regeneration.
- The task of place leadership continues after projects are completed, using mature data programmes to continually learn and evaluate from the outcomes of projects and monitor the delivery of effective public services.

1.1 Overview

Defining place leadership

Urban transformation requires a strong driving force in the form of individuals with a high level of influence over regional activities, who are well-connected at the level of place, and who have a good understanding of the social, economic and environmental requirements of their locality. Place leadership is about manipulating informal routes to change and bringing regeneration actors together, and implies a strong individual prerogative, where leaders can mobilise collective action and affect changes at the wider, systemic level²¹. It is about enabling collaboration across and between institutions, departments, and disciplines, and must be concerned with public engagement in order to be most productive²². Place leaders themselves can be any individual who can fulfill these responsibilities, but often those at the crux of community engagement, institutional influence, and soft power at the local level are found in local government.

Regeneration is shaped by complex networks and policy agendas, and it can be challenging to determine where individual actors fit into the configurations of relationships and resources that enable projects to succeed. Local authorities can be the hinge around which regeneration actors revolve, mediating particularly in the case of large-scale and innovative schemes for urban development. Although private and third sector support can comprise hefty proportions of regeneration funding, local government can drive cooperation and ensure that projects align with a shared vision. For instance, local authorities have the bargaining power to ensure affordable housing development or community contributions from private developers, and also have recourse to compulsory purchase orders, as a last resort to release land for development²³.

Research from the High Streets Task Force has concluded that place leaders within local authorities display common behaviours: a strong belief in their purpose, passion, courage, and resilience²⁴. These kinds of behaviour are necessary to drive projects from inception to delivery despite the typical obstacles associated with regeneration – including lack of funding, diverging intentions among stakeholders,

²¹ Markku Sotarauta & Nina Suvinen (2019) – Place leadership and the challenge of transformation: policy platforms and innovation ecosystems in promotion of green growth

²² Markku Sotarauta & Andrew Beer (2016) – Governance, agency and place leadership: lessons from a cross-national analysis

²³ Phil Jones and James Evans (2013) – Urban regeneration in the UK

²⁴ High Streets Task Force (2022) - Place Leadership in English Local Authorities

and lack of public support. Good place leaders are able to align the vision for place with the needs of stakeholders, encourage both bold innovation and appropriate communication, and be decisive when needed in order to facilitate transformation.

Policy context

The level of local authority involvement and the number of other organisations involved can vary immensely between projects. Factors include the state of existing local institutional frameworks, the context of the development site and the requirements of stakeholders. The planning framework gives local authorities discretion in how far to align with existing guidance and legislation: within Local Plans, the Core Strategy lays out how local development needs are met in the long term, which can include sections that prioritise neighbourhood plan delivery. Local authorities can in this way act as mediators, brokering relationships from the parish scale to developments that cross local government boundaries and require a collaborative approach with regional partners.

The impetus for local autonomy has been increasingly stressed by observers in the UK against a background of restricted public service spending and a volatile central government. The Lyons Inquiry in 2007, coming off the back of various neighbourhood-based initiatives from the New Labour government, outlined the importance of greater freedom for local government to engage in place-shaping, pointing specifically to the inefficiencies in funding – namely, the inappropriateness of the council tax mechanism, which remains unchanged to this day, and piecemeal grant funding from central government²⁵. The goal of decentralisation remained centre stage into the coalition government, which introduced the Localism Act 2011. The act introduced the Community Infrastructure Levy for raising finance from new developments for local community benefit and established neighbourhood forums as a planning instrument.

However, the drive to localism was offset by the introduction of austerity measures, resulting in a rhetoric supporting autonomy at the level of place that was missing the resources to buttress its ambitions. In the present day, following further fiscal centralisation and a slew of shocks to the economy – Brexit; the COVID-19 pandemic; the cost-of-living crisis and instability in parliament – local government has become something of a symptom of the nationwide struggle, with an increasing rate of Section 114 Notices and councils having to focus entirely on their statutory duties and not broader solutions against stalling economic growth. Strong place leadership is inherently stymied by this state of constant crisis management in local government.

Additionally, the devolution debate can become a cycle where the lack of existing capacity becomes a justification for the withholding of measures to increase capacity. High-quality institutions at the local level are a prerequisite of devolution, but a lack of powers to raise funds and drive visionary place leadership naturally restricts and eventually depletes the quality of local institutions, thus making effective devolution more challenging²⁶.

In this context of heavy political and fiscal centralisation, regeneration necessitates collaboration between private and public sectors, central and local government, and different government departments, upon whom the private sector must rely. The governance architecture for local authorities leverageing their influence to bring together local, regional, and central actors in regeneration schemes gets increasingly complex as the size of the project increases²⁷. Against the concentrated centralisation of the UK, place leadership is needed to break down siloes and engage in cross-boundary collaboration, but transformation will rely on freedom for local leaders to effect change through their capacity as conveners and innovators.

²⁶ Charlotte Hoole et al. (2023) – England's catch-22: institutional limitations to achieving balanced growth through devolution

²⁷ Rob Atkinson et al. (2019) – Governing urban regeneration in the UK: a case of 'variegated neoliberalism' in action?



Figure 2. Subnational taxes in the OECD

Percentage of total tax revenue

1.2 Place leadership on the regeneration journey

Scoping

The role of a place leader is to convene local actors, from communities to planners to public organisations, in order to enable change that delivers the best outcomes at the place level. While frameworks exist that may encourage partnership working, place leaders bring local knowledge and influence that can interact with or even, sometimes, bypass official institutional and political structures and efficiently deliver change.

Innovation is at the heart of what makes a good place leader. At the scoping stage of regeneration, it is vital that numerous stakeholders and participants have the capacity to envisage the change that needs to happen and to identify the targets for regeneration. To do so, the creation of a place 'vision' can consolidate place partners under one umbrella outcome, within which more specific targets may be set. Local authorities are in a good place to interlock the motivations of various local stakeholders, for instance by outlining a strong vision for place while setting out the steps and priorities that the local authority, its partners, and local residents can follow towards measurable outcomes. It is important to note that a place vision must account for the passing of time, in that stakeholders across both public and private sectors will be working to different funding and political timescales and that urban development naturally occurs across long periods of time.

Examples of local authorities setting out strong visions for place that align with measurable outcomes are outlined below, with examples lifted from Luton's 2040 vision and Leeds' Best City Ambition.

Luton 2040²⁸

	1	1
Place vision	Priorities	Measurable outcomes (example)
To be a healthy, fair and sustainable town where everyone can thrive and no-one has to live in poverty	Building a more inclusive economy	A thriving town centre with the right mix of office, retail, leisure, residential and community space
	Improving population wellbeing	More of our households living in good quality and affordable housing
	Becoming a child friendly town	Our children and young people will have access to good quality services that keep them safe and secure
	Tackling the climate emergency and becoming a net zero town	A greener transport network, with a reduction in car usage and an increase in walking, cycling and sustainable public transport usage
	Supporting a strong and empowered community	Increased resilience across our community protecting and enabling the most excluded and vulnerable

Leeds: Best City Ambition²⁹

Place vision	Priorities	Measurable outcomes
To tackle poverty and inequality and improve quality of life for everyone who calls Leeds home	Health and wellbeing	Enabling every community in the city to have safe connected spaces, streets and paths to access a local park or green space, providing somewhere to be active and to play, helping to improve mental and physical health across all ages
	Inclusive growth	Understanding that place matters, and positive identity, culture, heritage and pride in our communities are vital assets in a sustainable future for the city and its local centres
	Zero carbon	Addressing the challenges of housing quality and affordability, tackling fuel poverty and creating vibrant places where residents have close access to services and amenities

'Facilitative leadership' represents the idea that place leaders be inclusive in local development, going beyond existing institutional and administrative structures to target the best practices for development in their locality and to remain flexible to the challenges that naturally arise from large-scale regenerative projects³⁰. The two examples here prove that meeting targets for place requires the mobilisation of an

30 Rob Atkinson et al. (2023) - Leadership, urban structure and place: evidence from Bristol and Dorset

²⁹ Leeds City Council (2022) - Best City Ambition

extensive network of people and organisations, and that in turn requires a positive perception of governance and trust between partners. While there are several forms of urban governance across the UK that engage in different styles of leadership and take different approaches to authority – whether through formal or informal mechanisms – it is vital that those in leadership are able to generate support for a shared vision.

In order to do so, place leaders must be aware of the values that residents place upon their towns and engage with the mindsets that exist surrounding the challenges and opportunities represented at place level. Many people draw a sense of identity from place, engaging with physical representations or symbols of what makes a place distinctive from other places, and regeneration must be sympathetic to such values. Consequently, place leaders should value local democracy and understand the influences and value the transformative power of both political and non-state representation; where non-state leaders that represent the local population include community activists, entrepreneurs and business leaders, trade union leaders, religious leaders, among others³¹.

Finally, place leaders need to ensure governmental effectiveness among and between the institutions engaged in regeneration, balancing innovation with cohesiveness across levels of influence. Accountability is important across the system, and that the individual place leader is not overwhelmed or overpowered by responsibilities, so that urban development benefits as much as possible from flexible but reliable systems of local power from inception to implementation.

Planning

The most effective urban planning understands the full limitations represented by the context of the area for regeneration. These limitations can be environmental, socio-cultural, economic, and governmental, all of which create the individual context of place that define any one town or city³². Place-based governance accounts for the context of the place and moves in accordance with its specificities. At present, there is general consensus that the centralisation of the planning system in the UK has resulted in a lack of perspective from the centre in terms of planning guidance, leading to a siloed approach to planning that follows arbitrary development numbers set out by central government without much consideration for local context, infrastructure requirements, or capacity.

³¹ Robin Hambleton et al. (2022) – <u>Place, power and leadership</u>: Insights from mayoral governance and leadership innovation in Bristol, UK

The answer to this issue could be a return to strategic planning, in which cross-party consensus is reached and cross-regional support is available. There has been a vast reduction in planning capacity across local government since 2010³³: spending on planning, development and housing decreased in England by more than 50 percent from 2010/11 to 2019/20. The pandemic introduced a Herculean backlog of planning applications, and a majority of councils are increasingly struggling to recruit planning officers³⁴. In this challenging situation of under-resourcing and lack of capacity, place leaders must ensure efficient resource use, high levels of democratic accountability across the planning system, and support collaborative, strategic planning.





33 Regional Studies Association (2022) – England's strategic planning crisis

34 Levelling Up, Housing and Communities Committee (2023) – Reforms to national planning policy

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Strategic planning that is cross-regional will ensure sustainable growth that meets local need, ensuring that planning delivers on local priorities through a joined-up approach to service provision. In the past, the framework for strategic planning in the UK took the form of regional strategies, abolished by the Localism Act, following which responsibility for strategic planning has belonged to unitary, district, or borough councils. The 'duty to co-operate' was applied to local planning authorities and other public bodies including integrated transport authorities and clinical commissioning groups in order to address planning across local boundaries³⁵, but was met with criticism due to its inability to meet housing delivery for the UK and has since been abolished.

In the future, there may be room for a return to a regional model that allows for strategic planning and decision-making, finding best value for money, and a longterm mindset that overcomes hurdles of organisational and political timescales. This may require a new duty to be placed upon service providers to act across the regional model and break down existing siloes, although it is necessary to recognise the disruption that major regulatory change can have across governance systems. In this case, place leaders must maintain clarity between partners if such a wide, regional approach is to meet success over the long term, whether galvanised by new regulations or moving across existing frameworks.

Financing

This regional approach to planning also represents an opportunity for financing, wherein funding simplification would ease the complexity of distributing resources on a cross-regional and multi-level organisational basis, ensuring resources are directed according to regional need. Fiscal devolution could allow local authorities to raise funding through local sources, therefore connecting local growth and performance to higher revenues for local government and consequently seeing a shift towards local redistribution³⁶. If this were to occur, there would be a requirement for greater accountability among place leaders, with an emphasis on local democracy while local leaders become more empowered to engage in transformation of their authority areas.

In the place of genuine devolution, the current system of funding regeneration is defined by a series of grants available from which place-level actors might utilise central funds in order to develop a vision for place. Such grants include the Towns

³⁵ LGA (2014) - Simple Guide to Strategic Planning and the Duty to Cooperate

³⁶ Centre for Cities (2023) – Fiscal devolution is possible: here's how

Fund, the Levelling Up fund, and the new Brownfield Land Release Fund. However, the reliance on short-term funds that require resource-intensive bidding processes from local authorities can exacerbate inequalities and has led to developers scrambling to use funds within short timescales, leading to the return of vast quantities of unused money. Short-term funding does little to foster innovation from place leaders.

The austerity era in the UK and little opportunities for financing development has resulted in greater diversity in fundraising mechanisms, with emphasis on attracting external investment, raising revenue locally, and partnerships with the private sector. This shift means that places need strong leadership in order to attract investors and encourage stakeholders to take greater risks in terms of regeneration, leading with a strong vision for place to provide the certainty that current financing routes do not provide. However, the precedent for risk-taking in local authority financing is marked by increasing numbers of councils waning in terms of financial stability, mirrored by more Section 114 notices and financial officers less willing to engage in large-scale projects. Change, towards the end of this decade, will have to encourage local financial empowerment in order for the UK's place leaders to be able to utilise the investment opportunities at hand – ideally, without the sale of public sector assets to remain afloat.

Implementation

Leadership that engages in transformational work must both understand the timescales involved in extended regeneration programmes and provide the stability for engagement with other agencies over the long-term in order to preserve sustainable development. Yet this cannot come at the expense of flexibility.

From the outset and as the regeneration project unfolds, different 'development trajectories' will be available to decision-makers, and strong leaders will monitor ongoing performance in order to engage in effective mobilisation of partners and resources and to unlock the best potential for place-based growth. No two development projects are the same, with differing contexts, limitations, and financial backing; the strength of leadership is found in the understanding that things will go wrong, but the onset of challenges can represent opportunity for systemic change and innovation at the place level³⁷. The challenges of austerity and reduced public sector spending mean that leaders must be engaged in taking on entrepreneurial roles, creating partnerships with the private sector built on transparency between clients and across the whole supply chain. Transformational practices require

flexibility and willingness to take on new models of procurement, utilise data, and delegate functions to other agencies³⁸. Place leadership should encourage creativity while maintaining focus on place vision and measurable targets.

Following construction, place leaders must continue to leverage their local influence to ensure the continued maintenance of regenerated public spaces, either through state provision or outsourcing services. In ensuring services meet the needs of the population, it is necessary to understand the risks and requirements at hand; to drive for the best possible value for money and engage in targeting services where they are most needed; to decide the best methods for procurement and collaboration with partners; to manage contracts; to continually learn and evaluate progress against an outcome-based framework. A mature data programme can be vital to ensuring that commissioning decisions work effectively to assess the needs of the place leader here is, again, to encourage innovation, to collaborate – to make sure that all partners are aware of their roles and responsibilities in terms of service provision and long-term management of assets, especially where joint commissioning is involved – and to engage in decision-making pathways that are informed by continued monitoring and evaluation of clearly set outcomes of development.

Regeneration ultimately is unsustainable without continued management and the release of best possible social value, which will require public service programmes that account for changing pressures, including increasing and aging populations. While some work has been done to evaluate the benefits of placebased investment, for example the TRUUD Valuation Model that aligns the health implications of urban development with economic value³⁹, there is still room for growth in sustainable regeneration through service provision. Integrated delivery of regeneration programmes on a cross-regional basis as good practice naturally follows that service delivery might benefit from similarly joined-up approaches. Benefits of providing shared spaces for joined-up services include the ability to provide a single point of contact for the public, unlocking greater capacity from regeneration through integrated, people-focussed strategy, and engendering spaces that are both economically and environmentally sustainable.

Place leaders can have the space, physically and through efficiency in organisational structures, to innovate and to rationalise public sector assets to maximal efficiency. Drawbacks may appear from integrating services, particularly

³⁸ ADEPT (2019) - Excellence in Place Leadership Programme: Innovation in Procurement

³⁹ TRUUD (2024) - About TRUUD

in terms of collating budgetary concerns and mismatch in political motivations, but consistent funding for local public sector actors, the sharing of data between service providers, and a framework that targets preventative outcomes may release the best possible social and economic value in the long term from regeneration programmes. Services will in future have to account for larger populations, but regeneration that provides housing and infrastructure to release revenue through land value uplift and that attracts local investment and businesses should be able to release capacity for higher standards of service provision.

1.3 Operational concerns

The table below highlights how the strategic concern of place leadership intersects with key operational concerns for regeneration projects.

Operational concern	Role of place leadership
Sustainable design	 Leveraging influence at the scoping stage to ensure community engagement (ensuring that planning is bottom-up led, not top-down mandated)
	 Aligning regeneration with place identity and distinctiveness
	 Ensuring democratic accountability to produce planning that meets local need
	Breaking down sectoral or regional siloes
	 Innovating beyond existing frameworks
Decarbonisation	 Setting specific environmental targets, extending beyond just decarbonisation to include climate resilience, biodiversity improvement, and healthy lifestyles
	 Understanding the primacy of the goal of decarbonisation across the national economy and not allowing other stakeholder concerns to negate this
Property and estates partnerships	 Ensuring openness with partners, particularly when preparing contracts at outset, to develop relationships and build mutual confidence

1.4 Policy recommendations

- To facilitate effective long-term place leadership, central government should legislate for a return to strategic regional planning. The Spatial Development Strategies of combined authorities should be given greater legislative heft, with built-in housing targets handed down to constituent authorities. In areas without combined authorities, local authorities should be required to come together to produce Subregional Plans analogous to the Regional Spatial Plans of the pre-2010 policy regime.
- Plans should be integrated with infrastructure strategies and Local Skills Improvement Plans to ensure a strategic vision is created for a pipeline of development which is sustainable and locally beneficial.
- To allow for the uplift in capacity required across planning departments, government should establish **Regional Planning Offices** to pool talent and resources to support local and subregional plan-making within a region. This could be carried out in partnership with other national bodies such as Homes England and One Public Estate to draw on their built-in expertise and help release capacity quickly where it is most needed.
- Funding for regeneration projects should be released to relevant authorities conditional to the setting and realisation of long-term targets within plans across the areas covered – including housing delivery, infrastructure delivery and local skills provision.

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