

Defensive Localism or Creative Localisation?

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According to the political rhetoric we are all localists now, but when I am told that I am sharing a bed with Eric Pickles I begin to feel rather nervous. If I can be forgiven for mixing my metaphors, perhaps I can add that this sense of unease is exacerbated by the lingering suspicion that I have had my clothes stolen. Localism, or rather localisation—and the distinction is, as I will argue later, a critical one—is a conception that has arisen from the green movement. To find it making its way towards law in the form of a Tory bill is at minimum disconcerting and at worst a source of intense confusion.

In this article I will address some of the issues raised by the Localism Bill, to which it is in part a response, but my first intention is to distinguish between the creative process of localisation as a participatory impulse arising from the community, and localism as proposed by Pickles, which I portray as a defensive, last-ditch response to the destruction of Little England by globalisation. Localism is clearly a state, indicated as a noun, a word without movement: it is an acceptance of the status quo and, for those of us who believe that a sustainable future requires a revival of a vibrant system of local economies, an acceptance of defeat. Localisation by contrast, is an idea in motion, a process of hope, whereby we take back control of our work and our resources and combine them in new forms, creating diverse responses to the need to live more harmoniously with our planet.

This contrast between passive and active is also clear in the project of the localisers, who are not prepared to accept the narrow confines dictated by the global economy. Mike Woodin and Caroline Lucas, for example, argue in favour of [GAST](#), the General Agreement on Sustainable Trade, an idea first devised by Colin Hines in his book *Localisation*, published in 2000. This would reverse many of the proposals of the GATT, allowing local economies space to breathe. It is also a proposal to enable politicians to take back the power in the global economy, to structure the market in such a way that it serves citizens rather than corporations.

The GAST is thus a classic proposal for localisation. Proponents of localism, by contrast, are mute on the question of the global economy, content to operate within its suffocating straitjacket, watching their local communities gradually expire due to lack of oxygen. They might write letters to the paper, might even campaign to support a local library threatened with closure, or even take on the task of running it themselves. But they would never challenge the political and economic system that has favoured the business model of Amazon over that of their local bookshop: these aspects of globalisation are perceived by localisers to be as inevitable as the circulation of the planets: to oppose the laws of the market is to challenge the natural system of life itself.

Power to the People?

The Localism Bill was introduced to Parliament on 13 December 2010. The DCLG claims that 'This Bill will shift power from central government back into the hands of individuals, communities and councils.' The rhetoric supporting this purported shift in power is an anti-statist one around decentralising power and controlling bureaucracy. It is also an anti-government rhetoric, with an emphasis on giving power back to a range of poorly defined 'communities' such as 'neighbourhoods', as well as 'individuals' and undefined 'professionals'. But how true are these claims in terms of the

propositions within the bill itself?

In terms of services, the bill claims to be 'putting power in the hands of individuals themselves' and that 'where services are enjoyed collectively, they should be delivered by accountable community groups'. Like the example of planning cited later, this is a deceptive offer. In the Age of Austerity, local people are being given the opportunity within a sphere of influence that government cuts have ensured will grow narrower year on year. People are free to choose to run their own libraries, even to buy back the library which they thought they already owned; they are not free to demand that the libraries they have are properly funded and remain in public control.

Both these examples make clear the motivation of a bill that claims to be localist as hierarchical. Localisation, by contrast, would be based on the principle of subsidiarity, with decision-making being devolved to the lowest appropriate tier. In the case of libraries this might mean the town, parish or community council. As the previous paragraph makes clear, this power would be meaningless unless it was matched by the power to fund the service. It thus becomes rapidly apparent that a process of localisation cannot be entered into unless tax-raising begins at the local level, with lower-tier authorities only passing money upwards for services they could jointly agree to fund. This would finally end the peace activists' question: 'Why don't we have to organise jumble sales to pay for Trident?'

The bill does include several significant new powers in terms of control of finance, the most prominent being the right to veto rises in council taxes. The Secretary of State will set a ceiling, and if local authorities increase local taxes by more than this a referendum of local electors will be triggered automatically. The council must pay for it and its outcome will be binding. Again we see the attempt to portray central control as local democracy, and the self-fulfilling presumption that local people resent paying for decent local services enshrined in law.

Part 4, titled 'local empowerment' focuses on the circumstances in which people can require their authority to hold a ballot (in conformity with previous discussions, there is no mention of empowerment requiring any financial support). This provision, which was proposed as a means of direct democracy rather than the bureaucratic democracy of local elections, has been significantly amended by Baroness Hanham to limit the scope of issues on which a referendum can be held. Where officers think it would be too expensive, or there is another consultation in process, permission to allow a referendum will be withheld.

From a political point of view it is clear to see in the localist proposals the tensions between the Conservative and Liberal Democrat parts of the coalition; the inherent tension within Liberal Democrat political philosophy is also exposed. Liberals have a longheld and genuine commitment to enabling local communities to act independently and the aspects of the localism agenda that promise this are being used as a comfort for those members of the Liberal Democrat party who are uncomfortable with the social consequences of the Tory cuts agenda. However, the inconsistency between this belief in the power of local people and the commitment to globalisation and free trade of economic Liberalism is made clear by the distinction between localism and localisation. Liberal Democrats' belief that strong local communities can operate in a world where the real power is held by corporations that are larger and more economically powerful than many nation-states demonstrates an extraordinary naivety that has left them weakened in negotiations over how a commitment to localism should be brought into law.

An example is the policy of 'tax increment financing' which Nick Clegg sold to the Local Government Group's annual conference this year as a policy to return business rates to councils: 'I don't think localism can work in the long run without giving you greater control over your money', he said. In fact, tax increment financing is a form of financial engineering filched from the US which allows local councils to borrow money now against taxes they will gain in the future from the infrastructure and business development their borrowings will fund. In cash-strapped times this provides a temptation for local authorities to allow developments that might be socially or environmentally destructive to allow them to invest in necessary infrastructure.

Relocalising business rates, Clegg claimed, would 'help to rebalance an economy over-dependent on one sector (financial services) and one region (London), by rewarding councils for stimulating business growth'. Here the conflict between local choice and free-market economics is clear: the presumption in favour of development undermines any possibility of real local democracy. Introducing a tax on the value of planning gain would be a far more democratic and efficient means of ensuring that local people benefit from the infrastructure developments that they and their representatives decide would best serve the local area.

Presumption in Favour of Development

The most significant changes proposed in the Localism Bill are in the area of planning, and here it is the most significant piece of legislation since the passage of the 1947 Town and Country Planning Act, which it seeks to undermine. The political subtext here is clear: nationally, as well as locally, economic growth is the answer to a shortage of ready cash. In the local context, this economic growth requires the relaxing of planning restrictions and a presumption in favour of development.

Part 5 of the Bill, which has attracted considerable attention, focuses on changes to planning law. The most notable proposal is the abolition of the regional tier in planning with the abolition of regional strategies. This has already impacted on local authorities, many of whom responded to the words of Pickles that he intended to 'rapidly abolish regional spatial strategies' as to holy writ, until these were challenged in court. Pickles had forgotten that parliament was still needed to pass Bills into law and that the Localism Bill had not yet reached the House of Lords, much less the statute-book. The barrister for the house-builder who took the case concluded that the Secretary of State had: 'acted outside his statutory powers in circumventing the need for parliamentary scrutiny of such a fundamental change to the national planning system and failed to consider the likely environmental effects of revoking regional strategies'.

In case you take hope from the fact that this case was launched by a developer, I would suggest caution. The abolition of spatial strategies does not remove the need for local authorities to meet nationally agreed targets for house-building: it just takes the regional tier out of the picture when making these strategic decisions. The Communities and Local Government Committee responded to the legal judgement, and the confusion it caused for local planning authorities, by producing its own report, *Abolition of Regional Spatial Strategies: a planning vacuum*. Pickles's response to this report makes clear the intention of the fundamental changes to planning policy: 'The Government's top priority in reforming the planning system is to promote sustainable economic growth and jobs. We made clear in the Growth Review that our top priority in introducing the National Planning Policy Framework will be to support long term sustainable growth, through both development plans and decisions on planning applications.' The presumption in favour of growth is being taken seriously by local

planning officers, and in the absence of any strategic plan it is difficult for planning permissions to be refused.

The system of payments for new house building—the New Homes Bonus—is also an attracted 'incentive' for local authorities who have faced significant cuts in their funding from central government. However the appeal is more apparent than real, since the New Homes Bonus is funded through a reduction of the central government grant after the first two years. It is therefore an immediate pressure for immediate development, which might not reflect the thoughtful long-term decisions about what development is best for the community as a whole.

The real balance of power between local and national government is made clear in Chapter 6, which is titled 'Nationally Significant Infrastructure Projects'. A government truly committed to local autonomy would allow local authorities to decide whether or not they wanted a nuclear power-station or train line in their patch. Environmentalists and democrats generally were horrified by Labour's creation of the Infrastructure Planning Commission, with the power to overrule local tiers of authority. Pickles's proposal is merely to shift this to Ministers and away from the quango.

Chapter 7 deals largely with Housing matters, of which the most significant is found in Section 3, dealing with the abolition of the Housing Revenue Account. This is a system whereby rents from council housing, together with 75% of the receipts of council house sales, are pooled nationally and then reallocated. The outcome of the abolition of the HRA will be financial savings to those authorities with lower demand for social housing and better quality housing stock, areas, in other words, where people are more likely to vote Conservative. They will no longer have to pay money into the account to subsidise those authorities with poorer housing stock and greater housing need. How the latter authorities will cope without the subsidy in the long run remains to be seen. In the short run the policy appears to be a piece of social engineering that will result in the authorities in wealthier areas taking on debt which will be transferred to the authorities in poorer areas.

The proposal for Neighbourhood Planning is causing much distress in the over-stretched planning departments of local authorities across the country, who are already seeing the number of planning officers cut the response to the atmosphere of austeria. It will allow local communities to draw up a 'local neighbourhood plan' with support from officers followed by a referendum paid for by the local authority. If the referendum is won, then the council is obliged to follow the neighbourhood plan. This sounds like localisation in action, until you realise that the neighbourhood plan must follow the strictures of higher-level plans: hierarchy rather than subsidiarity. In other words, if the government has decided that you are to be the recipients of nuclear waste, you can decide as a neighbourhood which field it is buried in. Neighbourhood plans, which could be costly and time-consuming to produce, can only propose additional development; they cannot protect communities against housing or waste facilities that they do not want.

Under a 'community right to build' provision, the power of the democratically elected Development Control Committee of the local council will be abolished altogether, so long as the 'local community' supports the planned development. This is explicitly stated as a response to local people's protection of the environment, as has been described by the Rural Services Network as aiming 'to tackle the lack of development coming forward in rural areas where local planning authorities are resistant to development and consequently restrict expansion despite communities themselves expressing a wish to see new housing and other facilities built.' There is nothing to prevent a local landowner who wishes to benefit from planning gain setting up a

'neighbourhood committee' which then pushes for planning permission to build houses on this land.

Fighting your way through the guff about 'like-minded people' coming together to salvage their communities from the deprivations of bureaucratic socialist hordes, you begin to see the significant shift in power in favour of development and against the environment. There are profits to be made here: the 'communications consultant' Curtin & Co. have bought up the web address <http://www.thelocalismbill.co.uk/> to give their jubilant account of the significance of these proposals:

'There is no doubt that the local government and planning landscape will change considerably in the next 12 to 18 months. There are still significant holes in the proposed legislation and Curtin & Co will be monitoring the progress of the bill as well as making representations on its community engagement aspects. Curtin&Co's founder and chief executive is the author of *Managing Green Issues* (Macmillan, 2001) which advocates many of the aspirations of the Localism Bill and this is embedded in our methodology.'

We should have no doubt that, far from a charter of rights for the defenders of the local environment, the Localism Bill was always intended to break down the defence afforded by local planning committees and to enable developers to abuse the countryside in their pursuit of profits and growth, while continuing to neglect areas of urban dereliction.

Localism or Globalism?

Rather than a single bill, the Localism Bill is an ideological assault on most of the powers currently exercised by local government, especially planning, local taxes, and housing. In spite of its claim to offer 'decentralisation and strengthening local democracy', its explicit intention is not to devolve real powers, backed with money, to local councils, but rather to set local people against their councils, within a framework of limited and reducing budgets. It also involves the grasping of a huge number of additional powers by the secretary of state (142 according to Ed Miliband). Not only is this a threat to systems of democracy, it is also inefficient, as it will inevitably lead to a confusion of roles if not outright conflict. The edges of this are already been seen in the number of legal actions underway.

This short response covers only a small number of the many proposals in the Localism Bill, and according to the information available. It is a depressing proof of the inadequacy of local power-making that, as an elected councillor, I have available only the impenetrable Bill itself, together with two short guides produced by the DCLG, both of which are highly politically tendentious. For example, the 'essential guide' begins with the heading 'Action 1: Lift the burden of bureaucracy: the first thing that government should do is to stop stopping people from building the Big Society'. Is it terribly old-fashioned of me to suggest that this isn't appropriate language for a government consultation paper? The Bill itself appears to be poorly thought through and is being subjected to a process of heavy amendment: neither local councillors nor their officers have any idea of what the guiding legislative framework will be in a year's time. It does not help that Eric Pickles, as identified above, does not seem to understand his own powers and has become so dissatisfied with his own legislation that he recently tabled 240 amendments of his own.

I would like to end by returning to my original metaphor and crave your indulgence to extend it a little further. In Hans Christian Anderson's story it took a naïve child to point out that the Emperor was naked; it has been the role of the Greens to indicate that globalisation has just as little to offer the majority of the world's citizens. Globalisation has been developed through a collaboration between elite business interests and the politicians who serve them: it is inherently anti-democratic and designed to serve their interests at our expense. This is true whether we think of the competitive downward pressure on wage rates or the massive increases in emissions resulting from increased levels of trade.

The Greens' response to globalisation has been localisation: a creative, engaged political process where we do whatever we can to insulate ourselves against the destructive effects of the free-riding of global capital while building a global movement to challenge the corporate elites. Localism is evidence that, as the process of capital accumulation extends, it is beginning to affect even the well-protected supporters of Toryism, as they see their high streets abandoned and their savings threatened. But in contrast to a process of economic empowerment it is a superficial rhetorical flourish, a mere verbal response that offers only the most trivial of powers. And beneath this sheep's clothing lurks the wolfish developer, licking his lips. As the consequences of globalisation – both insecurity and instability – take hold we can expect more questions and a wider critique of how local people can genuinely respond to the insecurity and dislocation it creates. Our political challenge is to persuade the doubters to take the route towards a creative localisation response rather than the sterile path of localism.

Sources

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