

A DEVELOPMENT STRATEGY FOR CENTRAL SCOTLAND?

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INTRODUCTION

There is growing interest in many European nations and regions in larger scale, more collaborative approaches to development planning. Ireland, Wales, the Netherlands, the English regions and many other places are currently preparing spatial strategies to guide investment in economic and social development, while conserving their natural and built heritage. They have been influenced by the European Spatial Development Perspective, which has stimulated new ways of promoting regional competitiveness, cohesion and sustainability (European Council of EU Ministers Responsible for Spatial Planning 1999). Key themes include encouraging co-operation rather than competition *between* cities and regions, and fostering greater co-ordination between economic development, land-use planning and transport policies *within* regions.

Until very recently these developments by-passed Scotland, partly because of the public policy ethos of localism and functional specialisation promoted by the UK government. Since 1997, concerns about devolution and the creation of the Scottish Parliament have tended to dominate the agenda. In addition, national politicians and institutions have been cautious about introducing explicit spatial plans and priorities that could constrain their discretion. They might also expose territorial differences and provoke opposition from places that believed they were losing out in some way. The recent statements on Scottish economic and social policy - the **Framework for Economic Development** and the **Social Justice Annual Report** (Scottish Executive

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2000a 2000b) - say little about their implications for particular places or about spatial issues generally.

The first sign of a possible shift in thinking emerged in June 2001 when the Scottish Executive Development Department launched a consultation paper reviewing the arrangements for strategic planning (Scottish Executive 2001). It raised the possibility that some form of national planning framework might be introduced for the first time. It could 'look at Scotland as a whole, how the country was likely to develop and change and how the planning system could assist in delivering that change' (p. 8). This would represent a major advance in helping to understand how Scotland functions as a place, to identify the main drivers of change, and to draw out the implications for planning, public policy and investment decisions.

Looked at in more detail, the paper expressed caution and mixed messages about the likely scope and significance of this framework. Its scope 'would not be comprehensive and all embracing' (p. 8). Yet it could seek to cover the causes and consequences of spatial change, including settlement patterns, demographic changes, the economy, environmental challenges, strategic priorities for transport, investment in land and other infrastructure, and the spatial dimension of social justice (p. 9). This is obviously wide-ranging, if not comprehensive.

In terms of its power to influence other policies and investment decisions, the framework is described as a 'light touch' statement (p. 4), a non-statutory 'national overview document' setting an 'overall context' for structure and local planning, and certainly not a prescriptive 'national plan' (p. 9). Yet, it would not be purely descriptive or analytical, since 'it should be aspirational' (p. 9). It would also be drawn up with 'extensive stakeholder involvement ... (and) some form of scrutiny by MSPs' (p. 9), and be subject to periodic review. The logical implication of these last few comments is that it could potentially constitute a very significant statement, carrying weight through its Scottish Executive status and the consensus it generated among politicians and stakeholder organisations.

Finally, the paper makes clear that a single national framework is on the agenda, with no possibility of sub-national strategies for areas somewhere between the scale of Scotland as a whole and individual local authorities or city-regions. It is particularly assertive in stating that a strategic plan is *not* needed for Central Scotland. Four reasons for this are given:

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the Central Belt is not a functional economic region;
it is not a coherent planning unit to which the public can relate;
it might be divisive in focusing on the contrasts between Edinburgh and Glasgow;
and the process of preparing it would be too unwieldy because of the large number of local authorities and other interested organisations.
(pp. 4-5).

The purpose of this article is to examine the case for a Central Scotland strategy more closely, or at least for a national framework that pays greater attention to the Central Belt. From our preliminary assessment, we believe that the argument for a development framework for the region - one that complements and strengthens the relationships between separate land-use, transport, economic development and other plans for different parts of the region - has been dismissed too readily and without substantial analysis. As the largest concentration of population and economic activity in Scotland, with growing cross boundary issues and interactions between adjoining towns and cities across the region, but a high level of institutional fragmentation, there are potential gains to be had from a common strategic perspective. These interactions include transport linkages important for inter-firm collaboration on product development, supply chain connections, access to third-party technical expertise and business services, easier and more sustainable commuting patterns, and improved travel for tourists and visitors. The article explores the case that a regional perspective and closer institutional co-operation would help the Central Belt to function better as an economic unit, and thereby facilitate faster, more sustainable growth and development.

In addition, the article considers the scope and mechanisms for strategic planning in the region. We argue that this should not be limited to conventional forms of physical planning as concerned above all with the regulation or control of land-use. It should include positive action on land development, investment in infrastructure and broader policies towards transport, economic development, place marketing and the environment. A collaborative approach between local authorities and other organisations may be the most appropriate way forward, with the Scottish Executive playing an important facilitative role. The paper identifies:

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the general reasons why a more explicit regional perspective would be useful;

particular issues which would benefit from this larger scale approach;

and how progress could be made towards this given the current organisational fragmentation across the region.

The basic argument is that there are shortcomings associated with the local scale of current arrangements, including insufficient attention to broad economic and demographic challenges, which require far-sighted responses. There are also deficiencies in policy co-ordination across districts, departments and agencies, and insufficient linkages between structure plan areas, land-use and transport decision-making, and other infrastructure investment. The lack of a forum for strategic thinking and collaboration across Central Scotland means that the ability to anticipate and respond to economic opportunities suffers, and regional growth is lower than it might be. Some of the challenges facing different parts of the region are complementary, but require a larger scale perspective to be recognised as such. We leave the precise boundary definition of Central Scotland open at present since the arguments are about principles rather than details. To avoid confusion, however, the core area is defined as the city-regions of Greater Glasgow and Greater Edinburgh, i.e. the cities and their hinterlands.

The next section summarises five main challenges for strategic planning in the region. The following section identifies four specific issues where a regional approach would strengthen existing arrangements. The final section suggests how these issues could be taken forward. It will be clear that the argument is mainly conducted at a fairly general level and is tentative in many places. There has been surprisingly little previous research or public discussion of the functioning of Central Scotland. More detailed analysis of the costs, benefits and wider consequences of particular policies and actions would obviously be necessary before they were pursued.

CHALLENGES FOR SPATIAL POLICY IN CENTRAL SCOTLAND

Raising the rate of sustainable growth

Economic and demographic trends have not been favourable for many years. During the 1970s and 1980s Central Scotland as a whole lost jobs and, consequently, population through out-migration. There has been something of

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a turnaround since then with slow growth. This has coincided with an upturn in the national economy, prompting an important question about whether the recovery will be sustained, or whether it is more of a short-term phenomenon related to the business cycle. Growth continues to lag behind southern Britain and the core regions of Europe. During the 1990s the population of the region grew by just 0.03% per year, compared with 0.37% for Britain as a whole. Employment grew by 0.5% per year, compared with 1.1% for Britain. This may be because many of the underlying weaknesses of the economy remain, such as the narrow export base, the lack of research, design and development activities, the level of external ownership and control, and the relatively low rates of new business formation (Bailey et al 1999; Scottish Executive 2000a). Apart from these structural issues, there also appear to be more immediate obstacles to investment and faster economic growth in key locations, such as road congestion, derelict land, property and infrastructure deficiencies and labour shortages. These may be tackled more easily and are the focus of concern in this paper.

The major priority is to raise the overall sustainable rate of growth for the region. A better integrated regional economy with a more efficient physical and human infrastructure should help by improving access to labour, customers, suppliers and support services (Porter 2000; Storper 1997). Consistent economic development policies and co-ordinated public investment strategies addressing key barriers and bottlenecks should assist the process. Central Scotland's troubled economic history offers some important opportunities too. Regional development is less constrained by public opposition to house-building, business parks, new roads, etc. than in many parts of the UK. In addition, the environment is relatively clean and the infrastructure has spare capacity in many places. In large parts of the region there is also surplus labour and land available, although prior investment in skills training and land preparation may be required.

Promoting balanced development

Economic change has been very uneven across Central Scotland, leading to growing contrasts between east and west. Edinburgh's emergence as a leading financial and political centre has accelerated in recent years, making it one of the fastest growing and most prosperous cities in Britain. The effects have spilled over into the Lothians and, to a lesser extent, parts of Fife and the Borders, through migration, commuting and business relocation:

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[T]he boom in the Lothian economy is creating increasing pressures of population growth, in-migration and commuting, which in turn are generating increased demand for housing, retailing and business floorspace, and for transport and other key facilities.

(ELSPJLC 2000, p. 7)

The lag in property development and the tightening labour market have driven up wage, property and house prices in and around the city. Coupled with growing congestion and travel unreliability, this threatens the city's competitiveness as a business location. To maintain the momentum of development, public agencies are searching for ways to alleviate the pressures by identifying under-utilised land, drawing in labour from further afield and improving the transport system. Substantial public and private investment in schools, transport, water, drainage and other physical and social infrastructure will be needed to accommodate large scale housing and economic development. No less than 30,000 additional jobs are predicted in the Lothians by 2015 and demand for over 70,000 extra houses.

Glasgow city-region experienced substantial employment losses during the 1970s and 1980s, causing high rates of out-migration and unemployment, much of which is disguised as inactivity and long term sickness. Unemployment caused sizeable problems of poverty and exclusion, including stress, poor health, high mortality, family break-up and low educational attainment. Population decline contributed to school closures, failing shopping centres, a declining tax base, deteriorating services and facilities, and in some places large scale abandonment and demolition of housing. Industrial decline also left behind large tracts of vacant, derelict and contaminated land. Consistent local policy efforts have helped to produce a significant economic turnaround within the last five years, although they will need to be strengthened and sustained to materially improve the situation. Nevertheless, the city has clearly begun to demonstrate its economic potential, and the opportunities for faster growth are present in under-utilised land, labour, urban rail network, water, drainage, schools and other infrastructure. The tone of the latest structure plan is quite different to Lothian's message of growth accommodation: 'The strategic vision is to achieve a radical change in the competitive position and quality of life and environment of Glasgow and the Clyde Valley' (GCVSPJC 2000a, p. 10). To give an indication of the scale of the challenge, 43,000 more city residents would need to find work to raise Glasgow's employment rate to the Scottish average, an increase of 18% on current levels.

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The scale and persistence of labour market disparities between east and west suggest there are barriers to physical and functional integration. Otherwise one would expect higher levels of west-east commuting and migration, and east-west business relocation and expansion. The nature of these barriers requires further research, but they may go beyond literal physical obstacles to include individual and institutional attitudes and inertia, investor confidence and locational preferences, and the quality and cost of transport links. There has been some acknowledgement from the Executive recently that this divide could be holding back economic growth:

it is important that [the] dynamism [of the Edinburgh economy] is captured and not constrained by the shortage of skills or property or other productive inputs as resources within this single area become scarcer ... [E]conomic activity should be broadened further across Scotland for the benefit of all the regions. In particular, it can be broadened across the central corridor to reduce the present pressures: this area is - by global standards - small enough to promote as a single region of economic dynamism.

(Scottish Executive 2000a, p. 65)

Unfortunately, there has been little discussion as yet within the Executive or more widely in the Scottish business or policy communities of how this laudable aspiration might be pursued in practice. Several examples of business expansions from Edinburgh to Glasgow emerged during the research for this paper, none of which had any public sector encouragement or even interest shown in them afterwards. For instance, a major financial institution in Edinburgh opened a satellite administrative centre in Glasgow in 2000 because of the tight labour market, high staff turnover and property constraints in Edinburgh. The outcome has been very beneficial with the Glasgow operation enjoying much higher levels of staff retention and lower property costs. Such cases could usefully be given wider publicity.

Developing a long-term settlement strategy

The spatial structure of Central Scotland has acquired a more polycentric form in recent decades through the development of major new settlements (the New Towns) and the expansion of secondary centres. In addition, the share of population and jobs in the core cities declined for several decades through decentralisation, especially in the 1960s and 1970s (Bailey et al 1999). The trend in the last decade has been towards selective

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reconcentration (or at least a slowing down of decentralisation from Glasgow), encouraged by consistent planning policies in both east and west for many years, coupled with support for the redevelopment of brownfield sites. The trend is stronger in Edinburgh, partly because property market conditions are more buoyant, making it easier to 'steer' development. Public investment is still required to promote brownfield development in the west, especially for economic uses. This objective has been undermined in the past by some inward investors insisting on greenfield locations, which have often been poorly connected to areas of unemployment. The planning system remains under pressure from housebuilders for green belt controls to be relaxed. Incremental suburban expansion continues, facilitated by the desire of outlying local authorities to attract population and investment.

A long-term settlement strategy for Central Scotland needs to recognise the prime importance of the city cores as fixed assets, including their transport systems, telecoms and other infrastructure, and very sizeable concentrations of historic buildings, modern architecture and generic office and retail property, reflecting many years of sustained investment. This was a major weakness of the previous government plan for the region - **Central Scotland: A Programme for Development and Growth** (Cmnd 2188 1963) - which promoted new Growth Areas through substantial infrastructure investment and financial incentives to the detriment of the cities and particularly Glasgow (Henderson 1980; Parr 1999). The city cores also house clusters of higher order facilities that are regional, national and even international attractions, such as quality hotels, bars and restaurants, comparison shopping, performing arts, nightclubs, museums, galleries and universities. A tight planning regime can help to safeguard these commercial and cultural hubs, sustain property values and maintain investor confidence. Support for substantial out-of-town office, business and retail developments might threaten them.

A long-term settlement strategy also needs to strengthen the links between land-use patterns and transport. The growth of dual earner households and rising mobility mean that housing and employment for selected groups are not in close proximity, but they should be planned with an understanding of how journeys to work will be undertaken and with a view to maximising the use of existing rail and road infrastructure, especially where excess capacity exists. Where capacity is constrained there is a need for additional investment, whether funded publicly or privately. Existing and proposed structure plans across Central Scotland need to relate to each other more closely. For

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example, the strategies explicit in the Glasgow and Clyde Valley Structure Plan and emerging in the Edinburgh and Lothians Structure Plan could perhaps be joined up into some form of Central Belt growth corridor strategy. This could be used to help address the housing needs of Greater Edinburgh and the employment needs of Greater Glasgow in a co-ordinated manner consistent with the transport infrastructure.

Increasing regional integration

Evidence that Central Scotland is a functional economic region would clearly support the case for region-wide planning to manage the interactions and interdependencies. This evidence is mixed at present. Aggregate commuting data suggest that east-west links are not strong. In 1991 only 1% of Greater Glasgow's workforce came from Greater Edinburgh and 2% of the latter's workforce came from the former (Bailey et al 1999). Yet, for a small, mobile section of the population, i.e. professionals and managers, the region functions increasingly as a single labour market. For others living in towns between Edinburgh and Glasgow, commuting and shopping journeys also appear to extend further than before into both catchment areas.

Evidence on business relationships indicates that east-west connections are stronger. A recent survey by the authors of 1650 companies across the region found that:

Firms in the Glasgow area reported that 9% of their total *sales* were to customers in the Edinburgh area, with a similar level in the reverse direction.

Firms in Glasgow reported that 5% of their *purchases* were made from businesses in the east, while firms in Edinburgh made 9% of purchases from the west.

Finally, 15% of firms in Edinburgh said that their most important *collaborator* was in the Glasgow area, while 11% of Glasgow firms said their main collaborator was in Edinburgh.

This suggests a higher degree of functional integration than assumed in the review of strategic planning. It supports the argument for a stronger regional perspective.

There is also a case to be made for a regional strategy to overcome cultural and physical barriers to integration. By promoting mutually-beneficial

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linkages across Central Scotland, economies of scale would be achieved for the benefit of regional competitiveness and growth. For instance, improved transport connections would increase firms' access to a wider pool of labour, business services, information and markets. Benefits could also be derived from packaging together and marketing a wider range of attractions for visitors and tourists – basically two cities offer more opportunities than one. In addition, closer integration could allow the different parts of Central Scotland to promote their distinctive competitive advantages, thereby improving the region's overall economic position.

Strengthening regional governance and identity

Institutional arrangements within Central Scotland have tended to become more fragmented in spatial and functional terms over the last decade or two. This has encouraged competition between localities for investment, population and public funds, and impeded policy co-ordination and collaboration. The 1996 reorganisation of local government contributed to this by replacing the four regions of Central, Fife, Lothian and Strathclyde with 20 single tier councils. There was a cost in strategic terms, although the delivery of development may have been improved by bringing together planning, transport and school education within the new unitary authorities. Moreover, there are complex overlapping boundaries between local authorities, Local Enterprise Companies, health boards, structure plan teams, tourist boards, transport partnerships and European funding partnerships, all covering different territories. No organisation or collaborative arrangement spans the two city-regions.

Recent recognition of the problems caused by fragmentation has led to the introduction of mechanisms to promote functional co-ordination, such as community planning and local economic fora. These remain localised, however, focussing on co-ordination *within* localities, but not *between* them. Local authorities within Edinburgh and Glasgow city-regions collaborate to produce structure plans to guide land-use patterns and investment decisions. Separate structure plans are produced for Falkirk, Stirling/Clackmannanshire, Fife and Ayrshire. European structural fund partnerships and the transport partnerships cover broader areas than this but provide only weak strategic guidance. They all cover the east and west of the Central Belt separately, so interactions between Scotland's two main cities are dealt with poorly, if at all. What is clearly lacking is a strategic steer from government and its agencies at the centre. Until the Scottish Parliament and Executive were established, it

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was difficult for the Scottish Office to do this with much legitimacy. The situation now is quite different.

The political fragmentation of the region is not helped by the apparent lack of a shared identity among residents. External observers regard the Central Belt as a single region, but locals seem to have little affinity with the Glasgow-Edinburgh nexus. The divide is reinforced by the popular media which plays on the traditional rivalry, cultural differences and resentment that sometimes exists between the cities. One should probably not expect a close identity with a region as large as this, since people's journeys to work, shop and entertainment are generally more localised. Yet there is some coherence to the notion of Central Scotland. For most residents of lowland Scotland, this *is* Scotland. It is the principal catchment area for Scotland's main newspapers and STV. It is also the limit of leisure outings for most families, school parties, sports clubs and travelling fans of most premier league football teams.

There is scope to improve communication and social interaction across the Central Belt, particularly between civic leaders and officials. A wider regional understanding could help to build more constructive relationships between places. This would recognise the interdependence between the two cities and their surrounding towns, and might in turn encourage greater collaboration on practical projects and policies.

REGIONAL ISSUES FOR POLICY ATTENTION

These challenges raise four more specific concerns for policy attention. These can be defined as regional issues because they cannot be addressed as well at the local level. The case for a regional approach is broad and depends on several linked arguments.

Improving regional connectivity

Improving accessibility and mobility between the major population centres is an obvious regional issue. Local authorities are more concerned with local connections, while structure plans and transport partnerships focus on the connections within their city-regions. A regional perspective concerned with the efficiency of the wider transport system is a necessary complement, but

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currently missing.¹ Improved connectivity would facilitate the flow of goods, services, people and information. This should assist integration and enhance the economies of scale associated with a larger concentration of activity. The demand for travel is also growing because of rising car ownership, longer commuting distances, concentration of services in fewer centres and more extensive business linkages as a result of outsourcing and just-in-time production. This is very important in industries that handle high volumes of materials, such as electronics. This growth in demand for travel has to be accommodated and channelled into sustainable modes where possible. This also requires a better understanding of, and ability to manage, land-use and transport interrelationships.

There are important bottlenecks and missing links in the transport system. There could be important benefits to the system as a whole ('network benefits') from undertaking these projects in a co-ordinated way. For example, a rail connection between the two city centres and Glasgow and Edinburgh airports would assist regional travel and integration. If linked to a north/south rail link across Glasgow and an east/west link across Edinburgh (with connections to Edinburgh Business Park), there should be useful synergies resulting in reduced car-use and congestion. Further economic and transport benefits would flow if this investment was tied in with appropriate economic development and land-use policies. A regional rail system would also enhance the area's image among visitors and investors. A regional perspective is needed to capture the wider benefits that tend to flow from linking up separate local projects, and to ensure the vision and high level support to make them happen. Within current governance arrangements, projects have to be justified on the basis of their local benefits, with little scope to recognise the broader gains. Since major transport projects can also be disruptive during construction, the temptation for local decision-makers may also be to downplay them.

Another potential rail project is a high speed connection between the core cities running along an existing line through Shotts. This could help to fill several intermediate travel gaps (e.g. between Livingston and Glasgow, and between Lanarkshire towns such as Motherwell and Edinburgh). The

¹ *A Central Scotland Rail Capacity Study was recently initiated by the Scottish Executive and Strategic Rail Authority. It may begin to remedy the missing regional perspective, although it is not really couched within a wider land-use and economic framework. It is too soon to comment on the outcome.*

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reopening of an old line between Airdrie and Bathgate would link deprived areas east of Glasgow to growth areas in Lothian. Livingston is one of Scotland's fastest growing towns, but is very badly served by rail connections, particularly to the west. A regional perspective provides a useful reminder that the benefits of investment are likely to be much greater on links between major population centres than from one city into sparsely populated areas. In focussing on new and enhanced physical capacity, it is important not to neglect other important issues that affect transport flows, particularly price, but also service quality and reliability. This is relevant to the motorway network as well, since congestion and poor maintenance worsen journey times and quality for commuters and businesses.

There are several situations where additional road investment seems necessary and would confer regional benefits. Sections of the M8 motorway and A80 trunk road are heavily congested and probably warrant investment in additional lanes or alternative routes. The M74 northern extension is also important to ease congestion on the Kingston Bridge, to improve links across the south side of Glasgow and to open up vacant land in the East End of the city for economic regeneration. It will need to be complemented by other important access roads, such as the East End Regeneration Route. Infrastructure proposals to link north east Glasgow to development sites at Gartcosh and Cardowan in the Gartloch corridor should assist areas of particularly high unemployment.

Priority areas for development and regeneration

A regional perspective on strategic locations for new development is important to inform local planning policies of wider considerations. Consistent regional priorities agreed by the key stakeholders could also help to connect public infrastructure investment and to guide private investment. A regional framework could raise awareness of the variations in development pressure, need and spare capacity across Central Scotland and of the resulting opportunities. The emphasis might be on policies providing complementary benefits to different places, e.g. relief for overheating areas by assisting people from less prosperous areas to access jobs there, or encouraging selective business relocation or expansion. The creation of a more efficient and equitable settlement structure will not be achieved overnight or by central direction. It requires sensitivity to market forces and business requirements, and respect for the preferences of local communities.

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Two kinds of development area deserve attention. First, *strategic economic development areas* are important to generate additional jobs and to create space suitable for inward investment and indigenous business expansion. Priority might be given to places accessible to areas of high unemployment and with tracts of vacant and derelict land. They need prior investment in reclamation, consolidation of fragmented ownership, landscaping, and improved road access and other infrastructure to make them more competitive places for economic development. Designation with some special status would help to provide the profile and concentrated resources to boost investor confidence and generate momentum. The region may also need a small number of greenfield development areas, especially where the quantity or quality of brownfield land is inadequate. These would be planned employment sites accessible from a wide radius by public transport, close to existing settlements and performing functions that complement rather than compete with established business locations. The regional strategy would need to strike a difficult balance between supporting the release of such sites for selected development and avoiding damage to the prospects of areas needing redevelopment and regeneration.

A useful start could be made by targeting consistent priority areas for the plethora of special area-based government programmes, including urban and regional aid, European funds, social justice initiatives, enterprise zones and employment zones. The current patchwork is complicated and contradictory in many respects. Arrangements for co-ordinating the various territorial partnerships could also be explored. Some national development organisations appear to have no spatial framework within which decisions are made. This has been a problem for depressed areas in the past. For instance, the central aim of the **West Central Scotland Plan** of 1974 and subsequent structure plans for Strathclyde Region was to promote the regeneration of existing urban areas. This was consistently undermined by large-scale investment in infrastructure and property development by the Scottish Development Agency and other public bodies in the New Towns and elsewhere (Henderson 1980; Wannop 1995). Clearer information about development opportunities and incentives in priority areas could be made available to investors. Examples of successful business relocations from congested areas suffering high staff turnover and wage pressures to lower cost, more stable locations could be publicised to raise awareness.

Second, *residential areas* located close to public transport infrastructure and well connected to expanding economic opportunities warrant priority for

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housing development to accommodate in-migration and household formation. New development might be focused in places offering higher residential densities and more intensive development, thereby promoting better access to local facilities, lower costs for public services, and greater benefits from public transport investment. Locations in and around the main cities and towns should be prioritised. Certain places in the triangle between Glasgow, Edinburgh and Stirling are particularly attractive because they maximise access to several economic centres and should be recognised as such.

Improving external connectivity

Scotland's peripheral location in an increasingly integrated Europe makes fast and efficient external connections vital for regional competitiveness. This includes the capacity, frequency, reliability and cost of air, rail, road, sea and telecommunications connections to the rest of the UK and mainland Europe. Such services are important for exporting and importing goods and materials, for tourism, and for the intensity and quality of personal contacts and relationships that firms and other organisations have with collaborators and customers abroad.

The growth of export-oriented knowledge intensive industries (such as financial services, software and biotechnology) means that the frequency of direct air services from Central Scotland to other European cities is coming under increasing scrutiny. Another immediate difficulty is the regular road congestion along the M6, M62 and M25 motorways in England, on roads leading to major ferry terminals along the east and south coasts, and capacity constraints at some of the major ferry terminals. These add to the costs of road transport from Scotland. Meanwhile, railfreight transport is constrained by the limited carrying capacity of the UK rail network, partly because of the dominance of passenger services. A united voice representing regional interests would make for a more effective lobby in relation to the improvement of external links.

The scale of investment required to develop and maintain major physical infrastructure and facilities such as airports, ferry terminals and railfreight interchanges makes it important to plan such investment on the basis of a strategic regional perspective so as to maximise their market area and operational efficiency. Such facilities can also play an important catalytic role in stimulating further development of related activities nearby, and so their potential economic and environmental impacts need to be taken into account in the locational decisions too. These points apply not simply to the building

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of new facilities, of which there may be few, but also to the refurbishment, improvement and expansion of existing facilities.

Lessons should be learnt from duplication of transport infrastructure in the past, leading to higher costs, smaller markets and slower growth than might have occurred from unified facilities. The clearest example is the three airports serving the region's population of only 3.5 million. According to the managing director of Scottish Airports, the decision in 1962 to support three airports has had adverse long-term consequences in increasing operating costs, splitting the market and reducing the viability of international services for airlines: 'A transport visionary would probably have chosen a (single) central airport location to serve the Scottish Lowlands' (Murphy 1999). Traffic volumes have grown much faster at Manchester airport, partly because it has benefited from a larger undivided market and economies of scale in the use of fixed assets such as runways and terminal buildings, and in staffing and other variable costs. Manchester's growth as a major international hub has also allowed Liverpool to specialise in a different, complementary niche as a low cost airport for budget airlines and 24 hour air freight services.

Joint planning and marketing of regional assets

There is a strong case for promoting the region as a single entity for the purposes of attracting tourism, inward investment and possibly exporting. Marketing Edinburgh and Glasgow together might draw a larger number of tourists to the region by the greater scale and diversity of visitor attractions on offer. Those that came might stay longer because of the wider choice of places to visit and things to do. A recent 'Twin Cities' project illustrates the possibilities. It involved Scottish Enterprise and the local tourist boards in Edinburgh and Glasgow co-operating with the British Airports Authority and major airlines (motivated by empty seats) to promote the region as a single package in the weekend city-break market in mainland Europe. The complementary attractions of the two cities – history and culture in Edinburgh, shopping and night life in Glasgow – and the ease of travel between them were the main selling points.

There are possibilities for foreign direct investment too. Many foreign companies investing in productive facilities here are unlikely to distinguish closely between places that are 30 or 40 miles apart. They may be attracted by a larger Central Scotland labour pool and a broader choice of business services, research facilities, educational institutions and other specialised infrastructure than available in a single location. In the late 1980s, the SDA

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produced a memorable device to promote the image of a unified region - a schematic map of the Central Belt showing all the electronics firms and suppliers of 'Silicon Glen'. In financial services, Central Scotland is already seen as a single centre for fund management with 'Edinburgh/Glasgow' currently ranked second in the UK, sixth in Europe and 15th in the world (British Invisibles 2000).

There is also a strong case for pooling resources and sharing risks in developing projects of regional or national significance that would not be feasible for places on their own. Such projects tend to involve substantial public funds, depend on large population thresholds for viability and have sizeable spillover effects on surrounding areas. They include major cultural facilities, conference centres, big visitor attractions and multi-functional property schemes with regional impacts. Both cities are famous for creative events and festivals that depend upon local facilities, hotels and restaurants. Co-operation between the cities could strengthen such events by providing additional venues, complementary attractions, overflow accommodation and programming events to generate continuity and synergy. Other projects could involve co-operation between advanced research and training institutions to pool resources and gain scale economies by developing new specialised courses or promoting technological innovation in related fields. The Alba project in Livingston is a good example. It is a collaborative venture between the universities, development agencies and selected business services to develop the skills and capabilities in advanced semiconductor design for Scotland to become a world leader.

MECHANISMS FOR PROMOTING REGION-WIDE PLANNING

Informal co-operation on practical projects

One way for these issues be taken forward and developed is through co-operation between local organisations on projects that benefit each area. Joint working should not have to be formalised or regulated since the prospect of gains all round should be sufficient to generate commitment. Yet it may take some external stimulus to overcome initial barriers between partners, given the limited history of joint working. This might involve pump-priming resources or encouragement by altering the rules of existing challenge funds, which tend to be divisive. Over time perceptions should change and practical co-operation should help the process of regional policy-making by building trust, understanding and stronger working relationships. These should yield

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longer-term gains when more complex policies are being considered, especially where the benefits to partners become less clear-cut and the issues more sensitive. Stronger local co-operation could also provide a coherent grass-roots perspective to inform government policy on economic and spatial development.

The immediate task is to identify practical projects that will provide something for each area; so-called 'win-win' situations. The notion that different cities and towns have complementary assets or face complementary problems and challenges could be helpful in this respect. It means pursuing the kinds of policies that meet the needs of different areas simultaneously because these needs are interrelated. Joint marketing of different places for business or consumer tourism could generate benefits all round by expanding the market and sharing the costs. The two cities have complementary visitor attractions and other facilities that add up to a more diverse and appealing package together. The recent example of the Twin Cities project could usefully be extended.

Co-operation on marketing should lead to collaboration on other matters, including identifying and developing new visitor attractions, tourist facilities, cultural events and festivals. Market research could reveal deficiencies of the region and identify amenities that might be provided. Organisations could co-operate in assembling funding packages and designing suitable projects to meet external requirements. Joint working should spark new ideas and help to ensure that facilities and events are developed in complementary rather than competitive ways. This would give access to larger audiences and visitor numbers, reduce the risks of failure, allow for more specialisation and increase the amount of overflow accommodation available to either city.

Issue-based networks

Some issues are too complicated to handle this way. They require wider debate among affected interests or more structured procedures for meaningful progress. Policy-making may involve trade-offs, and so negotiation may be necessary, especially if some places have to make concessions in the wider regional interest. Improved policy outcomes may also require a change in the behaviour of certain groups, businesses or public organisations. This is not achieved merely by passing legislation, approving 'paper' plans or pursuing a technocratic process. Cultural and attitudinal barriers may have to be addressed. If individual or community choices are to be restricted, effort

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needs to be devoted to persuasion rather than imposition. This is best achieved through consultation and dialogue.

The attempt to promote more use of public transport is an example. Taxing road users in the cities to limit car use and to pay for public transport improvements is likely to cause a backlash unless the popular argument is won and public opinion is shifted. Various communication channels will be needed to persuade people that the continued rapid rate of growth in car use is unsustainable. Environmental groups and other organisations in civil society also have a role to play in raising public awareness.

One way to progress such issues is to create region-wide networks or other fora on specific themes to build consensus and consistent policies among key actors. Transparency and dialogue are important to expose deficiencies in established policies and procedures to scrutiny and peer pressure. Constructive involvement of the media may help to promote public debate and reduce obstacles to regional thinking. Such networks may cover all sorts of issues. Fora for economic sectors where there are regional issues at stake, such as the creative industries or higher order retailing, could usefully share information and raise common infrastructural problems. Fora to address specific environmental concerns affecting the Central Belt, such as the quality of countryside amenities or derelict land, could bring interested parties together (such as landowners, pressure groups and public authorities) to formulate practical solutions. The Central Scotland Countryside Trust has an annual forum which seeks to do some of this for the central parts of the region.

Strategic leadership from the centre

Collaboration from the bottom up can achieve progress on regional projects where the benefits for each area are reasonably clear-cut and uncontroversial. It is less likely to be successful where the issues are complex and the benefits uneven or long-term. Making decisions across territorial and functional boundaries is particularly difficult for local authorities and other public bodies since they can only operate within the limits of their mandate and none has a remit to consider Central Scotland. It is also problematic when government departments, agencies and privatised utilities in charge of key resources have different agendas. These situations require stronger leadership and encouragement from the centre.

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The Scottish Executive and its agencies are capable of providing this. Since 1999 they have had the democratic mandate and legitimacy to do so. They have begun tentatively to recognise the potential benefits of larger scale spatial frameworks to guide investment and land-use decisions. However, their general concerns are that large scale plans might be too prescriptive, comprehensive, controversial and time-consuming to prepare, and could raise unrealistic expectations (Scottish Executive 2001). Some of these concerns are valid, especially in the light of past experience, such as the detrimental Central Scotland White Paper, which excluded local authorities in its preparation. Yet, they are not inevitable. Such frameworks could be prepared in an inclusive manner involving a range of national and local stakeholders. This would make them less prescriptive and help to manage expectations. They could also be selective in scope and focused on essential issues to avoid lengthy preparation and to ensure they were strategic in orientation, without duplicating structure plans. They would have to 'add value' and should fulfil a positive role in promoting development rather than imposing constraints. Where decisions have to produce winners and losers within the region (such as rail access to the airports), the plan could help to rationalise them and put them into a proper balanced perspective. The Executive would generally pursue a supportive and facilitative role rather than a directive one (unless there was complete deadlock and failure to reach agreement), and ensure that the key departments and agencies were thoroughly drawn into the process.

This is not completely new. The Executive already has several clear roles in relation to public policies across the region. It prepares National Planning Policy Guidelines which give strong advice to local planners on issues considered to be of national significance, albeit with no explicit spatial reference. It is also responsible for ensuring that local authorities co-operate in sub-regional structure plan areas. In Glasgow and the Clyde Valley a specific joint committee served by a team of dedicated staff was created to ensure an efficient process. There is no obvious reason why the Executive could not encourage the local authorities across Central Scotland to carry out a similar regional exercise, albeit with a more selective and strategic focus. Scottish Executive participation in such a committee and staff secondments would give it extra weight and significance.

Outside land-use planning, the Executive is also responsible for setting policy and allocating resources for economic development, physical regeneration, transport and other infrastructure. It is responsible for co-ordinating the work of a range of departments and agencies, retains some influence over

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privatised services such as rail and buses, and has direct control over the location of major public investments. Local authorities and related organisations need more clarity and transparency about the principles and criteria guiding such decisions, particularly their spatial dimensions and implications for particular places. Indeed some mechanism for ensuring two-way consultation and promoting dialogue between local planning organisations and government departments and agencies is vital to achieve joined-up policies and decisions, and to make strategic planning more effective. There is a danger otherwise that the new generation of structure plans will be no more influential than the last ones.

There is considerable interest among planning and development organisations, in political circles and among the wider public in the government's attitude to the regional challenges discussed above, evidenced by the extensive media coverage. Put simply, what is the best way to alleviate the pressures of overheating in Greater Edinburgh and to raise the employment rate in Greater Glasgow? How far should population and economic growth be contained within Edinburgh and the Lothians and with what implications for the countryside, congestion, future competitiveness and quality of life in the city, and public expenditure on the physical and social infrastructure needed for large scale housing, economic development and transport improvements? To what extent can population and economic growth be encouraged further west through additional infrastructure investment, house-building and incentives to facilitate migration, commuting and faster job-creation in Lanarkshire, Glasgow and indeed further west in Inverclyde and Ayrshire as well? What should the balance be between trying to steer growth from east to west and assisting the west to access opportunities in the east, thereby importing a share of its wealth to boost local spending power in the west? The answers to these questions are certainly not straightforward and will need to be worked out in consultation with others and on the basis of more detailed research. This is precisely why a strategic framework would be helpful. Neglecting such issues could harm Scotland's economic performance and national cohesion.

CONCLUSIONS AND RECOMMENDATIONS

We have argued that there is a strong case for increasing collaboration between agencies involved in economic development, land-use planning and transport across Central Scotland. While useful gains can be achieved through

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informal co-operation and consensus building in issue-based networks, leadership from the Scottish Executive is important for real progress to be achieved. The sort of approach that combines top-down and bottom-up procedures pursued elsewhere in Europe could usefully be applied here. The benefits would include a broad vision for the region, a statement of priorities for the location of major development and population growth, an opportunity to integrate transport and land-use considerations, and collaborative economic strategies. Structure plans, local transport plans and local economic development policies would be informed by and consistent with this framework. The spatial development strategy would provide a useful complement and context for the city-region focus in structure plans and regional transport strategies. At least one of the structure plan teams has intimated as much:

there is a need for a more co-ordinated national framework for achieving a better balance of development in Scotland with a higher level of economic development in the Glasgow and Clyde Valley area where there is the capacity in terms of the labour force, environment and infrastructure to absorb growth.
(GCVSPJC 2000b, p. 2)

Such an approach could in principle be introduced at national or sub-national scales. A single national spatial development framework could be developed in association with the **Framework for Economic Development** and the **Social Justice Action Plan**. As a national framework, the main participants involved in its preparation would probably be national organisations such as Scottish Enterprise and environmental authorities, alongside several departments of the Scottish Executive (e.g. planning, transport, enterprise, and social justice), MSPs and national interest groups. Its national profile and Parliamentary support would confer obvious advantages of visibility and authority, although its coverage of such a large and diverse territory as Scotland might render it rather general and ultimately ineffectual. It might lack the focus and precision required to give useful guidance on the location, scale and character of development. Local consultation and involvement might also be deficient, which would limit local support and commitment to implementation, and could lead to inappropriate policies being foisted onto areas. These pitfalls are not inevitable, and there is a strong case for the 'light-touch' national framework that the Scottish Executive has in mind to encourage extensive involvement of local authorities and related organisations in its preparation.

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Any national framework should devote special attention to the Central Belt of Scotland, given the economic and demographic significance of the region, and the strength of functional linkages across it. In particular, such a framework should pursue the proposals for enhancing the railway network, airport links and external connections outlined earlier, and identify consistent priority areas for economic and residential development to guide major infrastructure investment decisions and financial incentives. Beyond the national framework, the Scottish Executive also needs to find a way to ensure that the new structure plans (or 'strategic development plans') for the city-regions address the key linkages with the rest of Central Scotland. The boundaries for the Glasgow and Edinburgh city-region strategic plans should probably extend beyond those of the current structure plans because of the growing interactions with Falkirk, Stirling, Fife (including the new North Sea ferry terminal at Rosyth) and Ayrshire (including Prestwick airport). The increasing connections between parts of West Lothian, Lanarkshire and Falkirk warrant particular attention since there are no mechanisms at present for contiguous structure plan areas to co-ordinate their strategies. The Scottish Executive should specifically encourage these local authorities and strategic planning teams to discuss and negotiate their cross-boundary interactions, since they cannot do so without a mandate. Such deliberations would also help to provide a local democratic check on the national framework.

Although there is little immediate prospect of this at present, we believe there is still a case for a regional planning framework for Central Scotland, and possibly for other regions of the country. These sub-national frameworks could be more concrete and specific than the national framework, and therefore more authoritative and useful in co-ordinating action and guiding investment. They would also permit more detailed involvement of local and regional stakeholders, thereby increasing local knowledge, ownership and commitment to implementation and review. Regional frameworks would focus on the linkages and interdependencies across each region, and encourage collaboration on projects of strategic significance. Local authorities, Local Enterprise Companies, transport bodies, strategic planners and regional units of government agencies could assist in preparing them, mediated by the Scottish Executive. The Executive's role would be to support and facilitate collaboration and negotiation between local bodies and to help overcome territorial difficulties that may arise. It would also help to ensure that central departments, agencies and utility companies were appropriately aligned with the strategic frameworks. The representatives of business

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organisations, developers, voluntary bodies, community organisations and environmental groups should also be consulted extensively, since they would have a part to play in ensuring their successful implementation.

An evolutionary approach might be the best way to proceed. The need for a sub-national framework is most obvious in the Central Belt because of the density of economic activity and population, the coincidence of growth pressures and problems, the degree of organisational fragmentation, and the range of cross boundary issues and functional interactions between adjoining areas. Starting here would allow other parts of Scotland to decide whether to follow suit in due course, as with the regional transport partnerships.

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