

Responding to the Place Based Impacts of COVID-19: Can we learn from the Disaster Recovery Experience in New Zealand and Adapt the Lessons to address our Unique Challenges?



Discussion Paper

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1. Introduction

Context

The author of this Discussion Paper has worked for 35 years in housing and urban development both nationally and internationally, but has focused primarily in the UK on the dynamics of social and economic change in the cities and regions of the North and Midlands of England. During 2012-13 he was also employed as a senior Civil Servant in New Zealand and worked on the earthquake recovery plan which was focused on Christchurch, the country's second biggest city. This paper combines a domestic and international review to set out a personal perspective of how and why the New Zealand experience of disaster recovery and the lessons learnt from it are directly relevant to the situation we find ourselves in now in the UK. The Kiwi political system has learnt much from addressing the aftermath of the earthquakes which impacted across the Canterbury region in 2010 and 2011. The country has subsequently adapted its approach iteratively, from a highly centralised response to one based on devolution and mutual support and cooperation between central and local government. There is much we can learn from this experience as we address our own unique challenges in responding to the COVID-19 disaster.

One of the reasons why a comparison is valuable for us is precisely because New Zealand has a highly centralised political system with a similar form to that which characterises the London-centric governance framework which is applied to England. The two countries are based upon a similar Parliamentary and legal system which take their authority to act from the British Crown. Both nations have also experimented with devolving power from central government to local authorities over the last two decades with variable degrees of commitment and success on the ground. Care as always needs to be exercised when exploring if international policy transfer is appropriate to local circumstances, and therefore the New Zealand case study detailed in this paper is also anchored in an analysis of how the COVID-19 pandemic is impacting on the heavily-populated urban areas of England and the measures and interventions we may need to implement to fully recover from its impact both at a local and national level.

It is recognised that seismic shocks are different from pandemics not least in relation to the speed of impact in the former and the geographical scale involved with the latter. However, there are similarities in recovery processes arising from both types of natural disasters which we can consider. A serious earthquake and a pandemic will cause damage to people, economic activity and services. The social and economic shocks which present in their aftermath take many years to recover from and often raise serious questions in relation to resilience with respect to public health, national and local governance structures, economic and labour market performance, and housing and the urban environment. Natural disasters also tend to amplify pre-existing social and economic inequalities; issues which have been evident in the UK even in the early stages of the COVID-19 outbreak. The author recognises that there are a vast number of spatial, social and health issues which have both a national and international dimension arising from the fact that the pandemic has generated a worldwide crisis. This paper addresses a fraction of these issues and focuses on the disaster recovery challenges in cities, towns and neighbourhoods in England, using the lessons learned in New Zealand to point to improvements we can make to improve our recovery processes.

Structure of the Paper

This Discussion Paper is structured in the following way. Section 2 details the response to the Canterbury/Christchurch earthquakes and how that response evolved over time as the relationship between central and local government was reset and the scope of interventions shifted from being market-orientated with a strong focus on deregulation of planning, to one which accepted a greater role for public sector intervention to meet social need. This narrative selectively details 13 substantive lessons from the experience which we should consider here in England. Section 3 sets out in simple terms the differential social and economic impact of the Coronavirus on groups and places in England and the UK. Section Four develops a simple framework which details how organisations can move through the various phases involved in managing the crisis. This framework seeks to help identify how to shape the initial impact assessment of the first wave of the pandemic, and then sets out the development process for local agencies and partnerships seeking to aid recovery at the neighbourhood and city level. This process may help to navigate the turbulent journey ahead as we collectively seek to secure our ultimate collective aim - social and economic recovery and resilience in the aftermath of the pandemic. Understanding the phases of change involved with disaster recovery is important in focusing resources and interventions in as logical sequence as possible, in an inevitably chaotic environment.

The final section of this discussion document illustrates the types of reforms and interventions which it is possible to design and implement at a local level without changes to the political and financial frameworks within which we work. Additionally, it also identifies that there are significant parts of the current public policy framework which are not fit for purpose. Therefore, we will need to advocate for reform to ensure that the resilience of our towns and cities is not actually undermined by the recovery interventions which are currently being developed by central government and a failure to reform existing policies. These policies and interventions in the absence of reform might otherwise create risks for disadvantaged communities in the event of future natural disasters. The scale of the current mortality rates being experienced, particularly in England compared to other developed countries is already reflecting a lack of resilience in governance, economy, health and welfare systems and the structure of our urban environment. A compelling case for change will need to be developed to ensure that these deficiencies are rectified – if we are to ‘Build Back Better’ and safely for all our citizens in future.

2. Disaster Recovery: A Decade of Learning and Adapting in New Zealand

Background

In September 2010 the Canterbury region of New Zealand with its population centred on the country's second largest city of Christchurch was badly damaged by an earthquake; an event which while creating substantial physical damage to land and buildings did not result in loss of human life. While work to scope the recovery from this event was underway, the city-region which was home to 465,000 residents was hit by a more devastating event. In February 2011, an aftershock occurred directly underneath the city at a shallow depth, destroying the city centre, damaging 167,000 homes and leaving 185 residents dead and 7,000 injured. In many ways the country was well prepared for the disaster. Legislation governing national emergencies was in place and New Zealand had built a unique insurance fund which provided a degree of underwriting for property owners and allowed access to more comprehensive cover from private sector institutions. The response to the initial emergency where there was a threat to life was also well executed because of this preparation.

In the decade which has passed since the earthquake sequence in the Canterbury Region the New Zealand Government and its citizens have engaged in dialogue, reflection, and inquiry into the response to the emergency. This process has explored the relationships between central and local government and communities during the recovery and rebuilding phases. The extent to which delivery mechanisms were appropriate in scope, and efficient and effective with their interventions, has also been debated. The outcome of this national enquiry has resulted in legislative change and an overhaul of disaster recovery planning at a national and local level.

New Zealand has a three-year electoral cycle which focuses the mind on delivery from the outset, but the short time between elections often works against strategic planning. From 2008 to 2017 the country was governed by the National Party who were the dominant partners in three successive coalition governments, which are the usual outcome of national elections as the electoral system is partially based on proportional representation. The National Party has close links with the British Conservative Party and has a similar approach to regulation, economic liberalism, and property ownership. It was through this free market lens that the recovery plan for Christchurch and the Canterbury region was scoped and designed.

It is important at this juncture to note that there is no unchallengeable rule book which can be pulled off the shelf to guide the design and delivery of Disaster Recovery Plans. The nature of disasters means that there is an imperative in securing a speed of delivery to limit the impact to life and health during the emergency which needs decisive action from a top-down perspective from all layers of government. The task then is to secure the appropriate balance of social and economic support which is needed to repair the system and lead to physical, financial, and personal recovery. Ideally this repair and recovery phase should be accompanied by delivery and design mechanisms which allow local agency and community ownership of solutions as lives and livelihoods are rebuilt. An approach which is highly centralised and uses the power of State resources to support the private sector to adapt in a deregulated environment will achieve development quickly in an advanced economy. It is less effective at generating environmentally sensitive and socially inclusive outcomes and may in fact exacerbate pre-existing inequalities. There is clearly a balance to be struck between top-down and bottom-up interventions and an explicit recognition of the trade-offs between

economic liberalism and social equity as strategies and programmes are developed. This is likely to be contested territory in the UK as we emerge from the crisis phase, hopefully in 2021 and beyond.

The 2011-2016 The Canterbury Earthquake Response: Centrally driven, economically liberal and supported by significant public expenditure

Following the earthquake in September 2010 the provisions of the 2002 Civil Defence Emergency Management Act were deployed. This legislation was designed to devolve power to localities having defined ministerial roles and responsibilities and the coordination role of central government at the apex of the management process. Under the auspices of this Act local government had the power to declare a state of emergency in a localised disaster, but if the scale of disruption was beyond the resources of a locality to cope, the national government retained step-in rights and could intervene to take control.

A coincidence of events led the National Government to exercise its step-in rights following the 2011 quake. Firstly, the scale of damage was more extensive than anything else experienced in the previous eighty years since the destruction of Napier in 1931. Additionally, because it was such a long period of time since the last disaster, the 2002 legislation had not been tested and it was not fit for purpose as it only supported State interventions in the immediate emergency period and not the many long years of recovery interventions which were needed thereafter. Significantly it also occurred in a location where there was a simmering conflict between the local authorities in the Canterbury region and central government. In 2010 central government removed elected councillors from the agency tasked with protecting the environment and replaced them with commissioners. The relationship between the National Government and the Labour-run Christchurch City Council was particularly bad and in the government's view the city had been slow to show results in developing a recovery plan following the less significant 2010 quake.

The government quickly developed and implemented the Canterbury Earthquake Recovery Act which allowed a streamlined planning system to be introduced and generated a new delivery vehicle which in effect was a new government department known as the Canterbury Earthquake Recovery Agency (CERA). This agency had a five-year life and an organisational structure and purpose which was strikingly similar to the Urban Development Corporation model deployed by UK Conservative governments in the 1980s to address economic collapse in English cities. This Agency created the development framework to focus \$17.5bn of Crown investment primarily in infrastructure and business support and \$29bn of insurance payments.

In broad terms, the centrally-driven approach to recovery in Christchurch produced sufficient new housing within a 30-40 mile radius of the city to ensure that the regional population total for the Greater Christchurch area is slightly larger now than that which was located there pre-2011. The liberalisation of the planning system has however had a long-term impact on the potential of the city to fully recover. A market-based approach has favoured the wealthier communities in the west of the city which was located on more earthquake-resilient land and the residents of new peripheral housing developments. This contrasts with outcomes in the poorer neighbourhoods in the east where the land was subject to liquefaction and has had to be partially abandoned. Business has also relocated in many instances to peripheral growth nodes which were flourishing before the disaster, as the Central Business District was already

restructuring in the light of poor economic performance. The private sector has proved to be highly adaptable, but the volume of public and private sector investment in property reconstruction which is still ongoing is disguising a profound spatial and structural shift in the local economy which will not be evident until the recovery interventions cease in the next few years. Clearly one lesson for the UK from this experience is that the larger the area which is subject to 'economic recovery' the less focus there is on the spatial and distributional impacts of policy intervention.¹

This analysis of distributional impacts can be extended to look at the unintended consequences of deploying a free market approach as described above. The objective of the centrally driven recovery programme was to 'Build Back Better'. A rebuilt Central Business District was to be supported by expensive publicly funded projects like a sports stadium and convention centre. The development of these anchor projects also required a vibrant residential rebuild locally to support it – yet the household growth and newly arising housing need which had market power, was physically relocated through private sector development and land release early in the recovery programme. The Government saw no merit in promoting mixed income developments in the centre of the city as it was out of scope in their narrow definitions of where public investment support should be deployed'.² The city centre is as a result devoid of people after the day time economy ceases and feels empty despite its high levels of public sector infrastructure spending.

The deregulation of planning backed by significant temporary public sector support delivered new housing supply relatively quickly. However, using an ideological tool kit which is derived from economic liberalism and the belief in a limited role for government within a free market economy tends not to produce policies and programmes to support the most disadvantaged as a policy priority. Using this approach in Christchurch favoured those with property wealth who owned homes and businesses and had a stake in the Earthquake Commission insurance fund. Those that benefitted least tended to be poor and private renters. Many of these residents endured years of substandard housing while the priority was to produce new homes for owner occupation at scale. Other issues such as addressing poor mental health appeared to be of secondary importance to securing property development. It should be noted that a similar ideology is driving the UK's "recovery" plan now.

The National Government: Policy Adjustments and Review 2016-2017

As CERA finalised its exit arrangements, central government conducted a review of the powers that local government would need to carry forward the recovery and regeneration phases of the work in Christchurch. This was helped by the internal learning processes of CERA, which benefitted from sweeping powers to intervene in a 2011 Earthquake Recovery Act, which enabled it to coordinate, plan and deliver rebuilding and ensure social, economic and environmental wellbeing. Inevitably given central government's clear direction the focus of CERA had been drawn initially to the physical task of reconstruction, however the experience of delivering this brought with it a deeper understanding of the psychosocial impacts of the disaster and the need for urban renewal and regeneration of existing

¹ Canterbury Rebuild by Numbers, Stats NZ. 2018. Available Online.

² Gjerde, M. (2016) "Building Back Better: Learning from the Christchurch Rebuild" paper to the Urban Transitions Conference, Shanghai, September 2016.

communities.³ This was reflected in the Greater Christchurch Regeneration Act (2016) which granted powers to act to local government to address these issues. This was a significant devolution initiative in the New Zealand context and a marked shift in respect of providing a framework to act locally to address the pressing social, health and economic issues resulting from the unequal distributional impact of the earthquake and the subsequent reconstruction programme.

This legislative change was accompanied by a 'Whole of Government Review' of the Canterbury Earthquake Experience.⁴ This review was published in 2017, the year of a General Election where political change was likely given the three terms the government had already served. The report was assembled from a review of over 200 documents and listed 60 lessons relating to: Recovery Governance Arrangements; Recovery Legislation; Land Decisions; and the Horizontal Infrastructure Rebuild Programme. The 60 lessons were not afforded any ranking of importance, nor did they convey any contrition, or concede any mistakes had been made. Nevertheless, there were significant lessons which are of direct relevance to the UK which is currently experiencing a highly centralised response to the emergency generated by the COVID-19 pandemic.

Lessons from The Whole of Government Review of The Response to The Canterbury Earthquake Sequence which are relevant to the UK.

The Whole of Government review of the response to the Canterbury earthquake sequence highlighted a number of lessons which the UK Government should consider in respect of their response to the current pandemic, including the following:

- The highly centralised response to the earthquake ultimately resulted in a lost opportunity to build local capacity to deliver the wide ranging social and economic solutions to ensure the long-term recovery of the region. The key findings noted 'Where possible, it is useful to build on or adapt existing local authority structures when establishing new recovery partnerships and structures' (p25).
- Insufficient resources were made available to manage relationships between the different partners involved during the complex recovery phase, which generated a sense of confusion between agencies and the public over accountability and governance roles.
- The centralised response to the crisis resulted in central government having to 'own' the problems associated with the earthquake – this was not an outcome sought by central government and they were ill-equipped to deliver long term governance of the second largest city in New Zealand.
- The earthquake exposed the inadequacy of some legislation and regulatory delegations to adequately address the emergency which presented following the 2011 quake. There are already signs that this will be true in the UK where the Government has recently focused on responding to rising infection rates through

³ Canterbury Earthquake Recovery Agency (CERA) (2016) "Walking the Recovery Tightrope" Earthquake Recovery Learning.

⁴ Greater Christchurch Group (2017) "Lessons from the Canterbury Earthquake Sequence" Department of the Prime Minister and Cabinet: Whole of Government Report. Wellington, New Zealand.

local lockdowns to combat COVID-19. The first of these has been declared in Leicester in advance of the required national legislation and seemingly without data sharing protocols being in place between national and local government thus creating confusion between agencies.⁵ This suggests that a proactive review of legislation and powers to act should be systematically conducted by central and local government in partnership before a second wave potentially arrives in the autumn.

From a personal perspective I would also add several other lessons from the Canterbury earthquake response which are directly transferable to the evolving situation in England and these include:

- The current debate in relation to recovery in the UK is dominated by the economic crisis which the pandemic has unleashed. The focus by central government is on securing a rapid resetting of economic activity, to be achieved through significant deregulation of the planning system and a pro-development approach to employment creation which may be divorced from other important features of long-term recovery such as environmental sustainability, social cohesion, public health, housing need and urban renewal. As in Christchurch/Canterbury, this is likely to result in sub-optimal outcomes in respect of people and place-based analysis. Mistakes made at the start of natural disaster can have long lasting negative impacts which can take years to mitigate, and in some cases outcomes are generated which cannot be subsequently easily rectified by public policy.
- There is likely to be a shortage of skills and resources relating to the recovery task, as local government strategic capacity has been considerably diminished during the last decade of austerity. Most of the regeneration capacity now exists in Greater London, the Milton Keynes/Oxford/Cambridge arc, and the Thames Estuary. Capacity development in the North and Midlands will be essential to the 'levelling-up' process which will be needed in the aftermath of the emergency and a failure to action this by central government will result in them 'owning' the many multifaceted social and economic problems which will emerge and intensify as the public health emergency abates.

[Lessons for the UK in developing a New Emergency Planning Framework: The 2018 Review of Disasters and Other Emergencies⁶](#)

The 2017 New Zealand General Election did produce political change with a new coalition government led by the Labour Party. An early action for the Government was to review the national emergency management systems and processes associated with disaster response and recovery. This did not revisit the approach to the Christchurch experience from an ideological perspective but built on the findings of the Whole of Government Review to recast the operational framework in advance of further legislation. Two important principles guiding the review were: To clarify who was responsible for what nationally and regionally while ensuring consistency and innovation; and that the role of the State is to support the locality

⁵ The Guardian (2020) "The Guardian view on local lockdowns, share the data faster" Editorial, 01 July 2020.

⁶ New Zealand Government (2018) "Delivering better responses to Natural Disasters and other Emergencies". Government Response to the Technical Advisory Groups Recommendations. August 2018.

to manage local emergencies while being clear about the role of central government in a national emergency and the authority to act between the different tiers of government. The statements of principle and process which have a direct relevance to the UK are:

- There was an immediate focus on building on the strengths of local communities. The stated objective is to take that local knowledge and capacity and embed it into the national emergency management framework – this is a fundamental principle which underpins the review.
- A review of emergency management systems was conducted to ensure integration within places (cities and regions) and between central and local government, this ensures rapid data sharing between partners in different tiers of government.
- There was a focus on achieving clarity around roles and responsibilities between national, regional and local levels, this is particularly relevant to the UK at the time of writing where there is a lack of clarity about which tier of government has the power to declare, manage and enforce a local lock down as a pandemic response.
- Central government confirmed a delegation to local Mayors and where circumstances warrant it, to regional collectives of democratically accountable elected representatives to declare a local state of emergency.
- Protocols have been established which will allow central government to coordinate its responses to provide support to localities which declare an emergency.
- Central government will support Mayors and CEOs in public service within cities and regions to exercise their authority to act through the delivery of disaster recovery training and specialist communications assistance in the event of an emergency.
- Clarity of communications, this is recognised as being critically important during times of emergency and this capacity is being strengthened with expertise at a national level.

The New Zealand Government sought to achieve a rapid enhancement of capacity and capability to manage an emergency and conducted this review at speed. Measures to improve systems and a strengthening of leadership throughout the different tiers of government were actioned without waiting for legislation. A review such as this is desperately needed in England, but the Government has explicitly refused to conduct one in advance of a potential second wave of the pandemic, focusing instead on ‘economic recovery’.

3. Covid-19 Impacts UK Impacts: Health, Inequality and the Emerging Economic Crisis

Health and Inequality

The two most pressing issues facing the nation currently are the public health emergency generated by the pandemic and the emerging economic crisis which has resulted from it. This analysis of the health impacts provides a brief overview which focuses on the impact on urban areas and disadvantaged people and places. The findings highlighted are produced primarily by the Office for National Statistics and show the following:

- The pandemic has had a disproportionate impact upon the major urban conurbations. Deaths in these areas between 1 March and 31 May were 123.5 per 100,000 population. The figures for urban cities and towns was 74.4, and for sparse rural areas 22.2, these being 60% and 18% of the largest urban areas respectively, illustrating how generally the impact has in this first wave declined in relative terms according to settlement size.⁷
- Irrespective of the size of the town or city, living in a deprived neighbourhood is associated with a higher rate of death from COVID-19. The age standardised mortality rate for those living in the most deprived decile of neighbourhoods was 128.3 per 100,000 compared to 58.8 in the least deprived decile. This was calculated using the 46,687 deaths registered by 6 June.⁸
- Using data from an ONS and MHCLG analysis of the 2011 census and deaths from COVID-19 infections, *Inside Housing* has reproduced graphs which suggested that there is strong association between housing overcrowding, Homes in Multiple Occupation (HMO) and mortality as a result of the disease. Taken in conjunction with the analysis of the relationship with concentrated deprivation above, this suggests that there are strong place-based associations with high levels of viral infection and mortality.⁹ Examination of the ONS data which maps the numbers of deaths for each Medium Super Output Area (MSOA) nationally, shows that in the larger cities of the North and Midlands there an association with relatively high numbers of fatalities with older terraced neighbourhoods where there are concentrations of private renting and BAME communities.
- There are also profound inequalities highlighted in the health data which measures how the death rate has varied by employment/occupation. These differences are especially stark for men, with for example those working in low-skilled elementary occupations having a death rate of 21.4 per 100,000 compared to 8.4 for Manager/Directors.¹⁰
- The inequalities in employment are also reflected in analysis by the *Resolution Foundation* which found that one-third of the lowest paid fifth of workers have been

⁷ ONS (2020a) "Deaths involving Covid-19 by local area and socio-economic deprivation: Deaths occurring between 01 March and 31 May 2020.

⁸ ONS (2020a) "Deaths involving Covid-19 by local area and socio-economic deprivation: Deaths occurring between 01 March and 31 May 2020.

⁹ N. Barker (2020) "Coronavirus and the housing crisis" *Inside Housing* 29 May 2020 pages 9 – 11.

¹⁰ ONS (2020b) "COVID Deaths by Occupation: England and Wales (up to 20 April)" ONS 11 May 2020.

furloughed, or lost jobs or hours. This was true for 16% of the top ten percent of paid workers.¹¹

The tendency therefore for pre-existing inequalities to be exposed by a natural disaster is evidently playing out in the UK context and revealing stark differences in impact relating to deprivation, ethnicity, occupation, and place of residence. The context for this is that the level of income inequality in the UK is the ninth highest of the 40 member states in the OECD and the second highest behind the USA in the G7 economies which are considered to be the most advanced in the world by the International Monetary Fund.¹²

The Economic Shock: Short-term Trajectory and Long-term Challenges

The UK has entered its most severe recession since 1709 following a reduction of GDP approaching 25% in March and April because of the temporary closure of vulnerable customer focused sectors of the economy. A technical recovery is currently under way facilitated by a phased release from lockdown which has been occurring since mid-May. If the UK can remain open for business for the remainder of the year, the Bank of England projects a loss of output of 14%, while the OECD estimate a reduction of 11.5% and one of the worst outcome for the world's developed economies.¹³ The speed with which the economy can recover this huge loss of output is unknown at this point in time and will be highly dependent upon the virus being controlled so that it does not generate a second significant wave of infections in the winter. The optimists hope for a result like that illustrated in the early modelling by the Office of Budgetary Responsibility which projected a 'V-shaped' recession and recovery where most of the output and employment was recovered after 3 years. Even this optimistic scenario will leave a long-term increase in debt to be serviced as a result of the estimated £300bn of public sector costs associated with managing the pandemic during 2020/21.¹⁴ At the other end of the optimism spectrum is the *Economist* magazine which notes that ending lock-down is not an event but a process and dependent upon the course of the disease. The ensuing uncertainty is likely to impact on investment and growth leading to a '90% economy' which will deliver a severely damaged world economy if it persists for any significant length of time.¹⁵

While the duration of this recession is unclear, its severity will be undeniable, and the impacts will arrive in rapid shocks during the late summer and the second half of the year. The claimant count for those out of work is expected to rise to levels not experienced since the mid-1980s. However, while unemployment took several years to peak in the 1980s, the speed of adjustments in the labour market occurring now is astonishing by comparison. In March, there were 1.24 million people claiming out of work-related benefits in the UK. At the end of May that figure had risen 126% to 2.8 million. Male unemployment in most of the more disadvantaged towns and cities has already passed 10% and will be double that in the most excluded neighbourhoods. Most economists are expecting the out of work claimant total to reach between 4 and 5 million by Christmas without significant government intervention.

¹¹ Gardner. L and Slaughter, H; (2020) "The effects of the Coronavirus Crisis on Workers" 16 May 2020: Resolution Foundation.

¹² OECD (2020) Income Inequality (indicator) doc 10.1787/459aa7f1-en (accessed on 04 July 2020).

¹³ OECD (2020) "Economic outlook 2020" Issue 1: OECD: June 2020.

¹⁴ OBR (2020) "OBR Coronavirus Reference Scenario" 14 April 2020

¹⁵ The Economist "The 90% Economy" Leader. May 2nd 2020 page 7.

This recession is unlike any other which we have experienced. One of the reasons why it will be difficult to predict its outcome and the potential damage to place and people is that it is being driven by a toxic combination of *demand and supply-side shocks* which interact across sectors and produce waves of change or aftershocks which will continue to ripple through the economic system until the emergency phase of the pandemic has abated. Only then will we be able to assess the damage and review which parts of the economy will experience structural change as the private sector adapts and consumer demand and investment changes to drive a reshaped economy. There will therefore be short-term and long-term processes of change to manage as a result of the pandemic and this makes planning difficult and raises risks in relation to the misallocation of resources if careful thought and assessment is not put into recovery planning. The development of a local framework to plan for recovery is therefore critical and this is addressed in the next section of the paper.

4. Planning for Recovery: A Simple Framework with Complex Solutions

For public and private sector organisations, communities, and places there is a process to work through in the event of a disaster. It is important not to be too prescriptive in relation to these phases, because of the unique nature of disasters and their diverse impacts they tend not to be easily type-cast. A simple framework to use for disaster recovery planning can be divided into the following phases:

- *Emergency* – In this phase human safety and survival is the primary priority. For the UK one could argue that the current social distancing and shielding policy colloquially referred to as a ‘lock-down’ fits into the category of emergency response. It is difficult to predict when the emergency phase abates because of the likelihood of aftershocks. For earthquakes these could be prolonged waves of seismic events, a tsunami may generate disease because of its destruction of infrastructure, and pandemics often manifest with successive spikes in infection. It is difficult to move on to fixing the aftermath of a disaster until the emergency has passed, only then is it possible to assess what is damaged or broken in a systematic way.
- *Repair* – The next phase of intervention involves all partners focusing on fixing those parts of economic, social and health systems which can be repaired in the short to medium-term. This is an urgent task, but it is often confused with recovery. The focus on repair carries with it a working assumption that partners know what is broken, and organisations can distinguish between what is irredeemable and what is retrievable with the appropriate level of support. There is a real danger of misallocation of resources in this phase if investment is channelled into structurally damaged economic activity or building standards which have been rendered obsolete by the pandemic for example.
- *Recovery* – This is a long-term plan which moves beyond repair to reconstruction and renewal. From an economic perspective it may seek to diversify employment, address unemployment, reskill and provide key infrastructure for example. For housing it may need to address issues of supply, inequality of access, and increased problems of homelessness compared to the original baseline. The key to success here is to understand how the gap in activity which has emerged post-emergency can be filled by renewing or replacing economic drivers. This clearly relies on a short and a long-term process of strategic development and investment.
- *Resilience* – Building resilience is a long-term process and by its very nature is a political process as it may involve addressing distributional issues, employer/employee relationships, and the extent and distribution of public sector intervention across place, space and the full spectrum of public policy. This framework and programme also need to capture what has worked well and ensure the positives are supported and nurtured. Ensuring resilience is not just about investment; it involves legal and regulatory change and reform of systems of emergency management. In the UK context it will be almost certainly be the case that a review will be needed in relation to the relationships between

central and local government and the types of partnerships which are needed to ensure that the interface between public health, housing and economy are effectively managed in the future. For urban areas delivering an era of increased resilience will require sustained and multifaceted interventions to address the evident problems we are currently experiencing because of chronic and acute inequality.

It is important to note that planning for greater resilience should start at the beginning of the process. It will become evident relatively early on where the weaknesses or strengths in the social, economic, and urban systems have either mitigated or amplified the impact of the pandemic. Reforms to systems and the way we live will be a long-term process and the planning for it needs to start as soon as the emergency allows for it.

Sequencing and Planning a Response to Natural Disaster: Recognising and responding to dynamism

Because of the instability associated with a natural disaster, the neat sequential steps outlined above are too rigid to drive an operational plan for reasons which will be set out below. They do, however, form the basic building blocks which can be used to develop a forward strategy. Diagnostics and foresight are essential components of the approach with analysis of the damage being caused to the urban system being linked to an understanding of how the physical, economic, and social baseline associated with the locality coped with the shock. This understanding allows an efficient deployment of resources in the repair stage and provides the foundations for the development of the recovery and resilience phases which follow.

The reason why the four stages outlined above cannot be assumed to be perfectly sequential relates to the unique supply and demand shock produced by a natural disaster which impacts upon both drivers of economic activity simultaneously. So, for example, a reduction in the supply of international students generated in part by the collapse of transport infrastructure will reduce the demand for university tuition and private sector rented dwellings. If sustained it will dramatically impact on the forward construction of City Centre apartments within regional centres. This will have a multiplier impact upon consumer expenditure and the night-time economy. There are many similar examples of these types of interrelated supply and demand shocks within an urban system which could be listed here. The implications which flow from this example is that parts of the system may break at different speeds and therefore the assessments relating to the interventions needed to secure repair and recovery will move around until the system stabilises.

It is highly likely therefore that we will experience movements backwards and forward along the emergency, repair, recovery and resilience continuum over the coming months. It is for example possible that we will move from a focus on repair with the hospitality sector over the summer only to be cast back into emergency responses in the event of a winter spike in infections. This would of course amplify economic dislocation and damage and we would have to reassess the impact of the pandemic in the light of this.

Anchoring the Recovery Process with an Impact Assessment

An impact assessment which assesses how a place, community, or organisation has been affected by a disaster is an important foundation from which to develop a recovery and resilience strategy. The scope of this assessment will be dependent on organisational form and function and geographical coverage. There is a wealth of international experience in the types of approach that can be deployed and the types of data which can be collected in the aftermath of a natural disaster and this has recently been usefully summarised by academics at Manchester University.¹⁶ It is important in the circumstances of a pandemic which currently has an indeterminate duration to ensure that the impact assessment is captured in a working document and is constantly reviewed in the light of developments as the emergency phase has not yet passed. In this context the impact assessment should attempt to achieve the following:

- It should identify what has worked during the emergency phase and what has failed and seek to answer questions early relating to resilience.
- It should identify damage and start to target repair work whilst identifying the risks associated with an early action programme.
- It should avoid silo working and be clear on the imperative to identify cross cutting themes both in relation to place and the host organisation.
- The starting point should not be to assume that all outcomes are of equal importance until proven otherwise, as this will not help to forge or reform partnership working and target help to those people and places that most need it, when they need it.
- The impact assessment needs to help develop a collective view of the medium and long-term nature of the challenge faced by the organisation and/or place as an assessment of the likely outcomes beyond the emergency and repair period start to take shape. As this is a working document produced to marshal resources, thinking and solutions in a volatile environment, it should not matter that assumptions and views may need to shift as circumstances change. The point is to be on top of that change and understand what it means to your organisation and the communities it serves.

The process of developing the impact assessment implies collegiate working, and will rely on a renewed focus on leadership, clarity in communication, systems change and new forms of partnership working which has been so evident in the New Zealand case study. At this stage, central government in London has shown little interest in engaging in this type of reform and thinking, but it could be that some of the principles highlighted earlier can be co-opted/adapted by local partnerships as they work through this next period.

¹⁶ University of Manchester (2020) “The Manchester Briefing on COVID 19. International Lessons for Local Government for Recovery and Renewal” Briefing beginning 01 June 2020.

Moving from Emergency to Repair and Recovery what should we expect from Central Government?

The last section of this Discussion Paper sets out some of the local actions which need to be developed as a priority. It highlights areas of public policy where reform is needed to address resilience issues and where government positions will have to shift over time to secure change. There are, however, measures which could be taken right now by central government to strengthen local responses to the crisis which do not necessarily require a significant ideological movement. These include:

- A programme to strengthen the economic delivery capacity in the North and Midlands to ensure that local structures are fit for purpose and properly resourced to address the forthcoming economic shocks. There is international precedent for this with the German Federal Government recently making a substantial financial contribution to not only compensate local government for financial losses incurred as a result of COVID-19 but also to strengthen institutions for future challenge as well.
- The issue in relation to English Local Government is more profound than just a lack of delivery capacity in respect of the local economy and housing. Much of this tier of government is now teetering on the brink of bankruptcy. Central government's approach thus far has been to drip-feed cash injections into the system to keep the sector going but this lack of certainty over cashflow means that there is little resource available to support proactive planning with regard to a second wave of the pandemic. The system can barely cope with the strains generated by the first wave. This is an issue which needs to be resolved immediately given that the emergency is still ongoing.
- International experience suggests that as the emergency abates, if not before, we will experience a surge in people suffering from mental health issues. Many working in this field are already warning about the deteriorating situation they are observing and the Institute of Fiscal Studies has also identified a sharp increase in suffering in marginalised groups and existing patients.¹⁷ The Government needs to coordinate the resources and capabilities to address this issue now and work with local partnerships on a mitigation strategy.
- A strategy is needed to stabilise the university sector and help it to transition in a manner which supports the economic recovery plans of towns and cities across England. Government needs to think outside of an education policy silo when it forges its response to this element of the crisis.
- Community leadership has frequently played a crucial role in disaster recovery strategies, enabling local people to feed into and help deliver actions to improve wellbeing, economic development and the environment.¹⁸ A Community Capacity fund is needed to support this activity and would provide

¹⁷ Banks, T. and Xu, X (2020) "The Mental Health effects of the first two months of lockdown and social distancing during the COVID 19 Pandemic in the UK" Institute of Fiscal Studies: London.

¹⁸ Lin, Y. Kelmen, M. Kiyomiya, T. (2016) "The role of community leadership in disaster recovery projects: Tsunami lessons from Japan."

resources for training, partnership working and development work for local impact assessments during this phase of the emergency.

The Government has the potential to address some of these issues in the Comprehensive Spending Review in the autumn. There is, however, an urgency to developing responses at the city, neighbourhood, and community level before the winter because of the potential for a second spike in infections. Potential partners need a commitment to release resources before then to allow preparation and planning to start. Either way, there is little available time to influence central government to take effective and timely action.

5. Where Next? Local Interventions and National Reform

It is critical that local government and social housing providers identify where they have the agency to act and not wait for central government to react to changing events. Excluding health, where significant planning is already underway to cope with a potential second spike in infections, there are a number of areas where local approaches can be developed in tandem with the development of an impact assessment and these are set out below:

1. *Training and Work Experience* – Resources are likely to be forthcoming from the Treasury to address this issue, however, given the scale of the emerging problems in relation to inequality and cohesion it is important that local solutions are also deployed in conjunction with national programmes. Many of the newly unemployed young will be highly educated but will lack the social capital and family connections to secure work easily. Organisations should explore all options including procurement, provision of apprenticeships, and intern positions to give young people from disadvantaged backgrounds access to work experience and training.
2. *Support for small and medium sized businesses* – When the economic damage is assessed fully it is likely that much of the stock of small and medium-sized businesses will have been destroyed by the impact of the economic shock. A similar locally tailored package of measures to support growth in this sector to that deployed to help young people will also need to be developed, again with procurement being an important tool.
3. *Rethinking town and city centres* – The changing demand for office space, retail, hospitality, higher education, and consumer habits are likely to combine to change the function and form of city and town centres. Many have adapted to significant changes through previous pandemics, wars, recessions and changes in residential standards and markets over hundreds of years. Given this history of resilience, it is important not to overestimate the threats to these spaces. However, it is also equally important not to underestimate the transition challenges as they adapt to a different environment. A mixture of creativity and realism needs to be deployed to this task with a recognition this is not a short-term problem and it will need a multidisciplinary approach to manage change over many years.
4. *Understanding and addressing social cohesion* – The pandemic has and will continue to expose the twin problems of inequality and social cohesion in English towns and cities. The longer the pandemic remains in the emergency phase the more pronounced the different health, neighbourhood and social impacts will be if the pattern which has emerged in the first wave of infections is repeated. Some of these issues are amenable to neighbourhood-based plans and solutions and will depend upon bottom-up approaches for success.
5. *Development of local resilience frameworks* – Building on the impact assessment and the knowledge gained during the emergency phase, it is possible to start to think through and plan for changes which will improve the long-term resilience of people and place. This of course needs to reflect the impact of COVID-19 but it also has to take account of climate change and the ageing society; two policy areas where UK government has not made much progress in recent years despite the mounting evidence of crisis. Many of the neighbourhoods characterised by deprivation also appear to have low levels of resilience in relation to each of these themes and a holistic

approach which joins together policy areas will be more effective long-term in relation to maximising effectiveness and efficiency of interventions.

6. *A Review of Enforcement and Regulatory Powers* – A review of the existing enforcement and regulatory powers available to housing organisations and local government would be an essential support to a local resilience strategy. Defects in the current framework need to be identified swiftly to inform national debates relating to post Covid-19 reform.
7. *Strengthening Homelessness Services* – Many organisations and locations have been working on intensively on this policy challenge seeking to reduce rough sleeping through the Housing First programme. However, a different wave of need is about to emerge. The economic collapse is expected to bring much higher unemployment but also a fall in real wages which could be very steep in some sectors of the economy. The level of evictions particularly from the private rented sector where economic activity rates are traditionally far higher than the social sector can be expected.
8. *Reassessment of Social Purpose by Housing Associations* – Given the waves of social and economic change unleashed by the pandemic it is an appropriate time for agencies which produce profit for purpose to review the social purpose of the organisation in the light of the impact assessment of their business and the communities they serve.
9. *Anchor Plans* – Building on the experience of American cities which have experienced crisis with limited Federal support, the local anchor institutions such as local government, universities, police, health and housing organisations should consider developing a shared plan which is focused on recovery. A plan would be based on a clarity of roles and responsibilities, shared objectives and transparent resource commitment. The advantage of developing this approach is that it would enable a coordination of organisational recovery plans which was place sensitive. Without such an arrangement in place there is the potential for individual recovery plans to inadvertently damage other agencies in a chaotic process.¹⁹

National Reform

National reform will be difficult to achieve in the current political context in the short-term. There are however several issues where adjustments are likely to be essential in the medium to long-term and debate needs to be started as soon as we exit the emergency phase. Reforms will be necessary for two reasons. Firstly, because there are central government policy areas which inadvertently raise the risk to the health and wellbeing of the public from a COVID-type disaster. Secondly, there are public policy frameworks which will require review to develop approaches which more effectively facilitate recovery for those towns, cities and neighbourhoods which have been worst affected by the impacts of this conjoined health and economic crisis. The areas of public policy which appear to be significant to the author are briefly set out below:

¹⁹ Lin, Y; Keleman, M; Kiyomiya, T; “The role of community leadership in disaster recovery projects: Tsunami lessons from Japan” undated.

1. *Devolution, Urban Policy and Partnership working* – A highly centralised response to managing both the crisis and its aftermath is unlikely to generate outcomes which the country will find to be fair, efficient, and sensitive to local needs. However, a radical approach to devolution in the absence of a deep and supportive partnership between central and local government is also unlikely to generate these outcomes either. The starting point in terms of inequalities between regions and cities and the most deprived neighbourhoods from the rest of society was indefensible before the pandemic. Those inequalities will be much worse after. A strong commitment to devolution and local solutions is needed within a supportive redistributive financial settlement and a facilitative national urban policy. There is no contradiction between a strong and confident central government providing advice and policy support to cities and towns while devolving powers to act and resources to deliver to local agencies. If England cannot achieve this in the short to medium term it probably never will in our lifetimes.
2. *Strengthening the role of Strategic Planning* – It is exceedingly difficult to reconcile the concept of strong and resilient towns and cities with the deregulation of the planning system and the de-facto dismantling of local strategic planning. There are two significant impacts on the resilience of towns and cities in the North and Midlands which occur because of the deregulation of planning which have been amplified by the withdrawal of brownfield and neighbourhood regeneration resources. The first is that deregulation leads to greenfield extensions and land value capture through peripheral development which becomes essential to meet household growth when regeneration cannot be funded in inner area locations and there is insufficient public sector finance available for infrastructure such as roads and schools. This development process speeds up segregation and concentrates poverty in the worst environments. Secondly, through the extension of permitted development rights which have automatically granted planning permission for some types of conversions from commercial to residential uses since 2013, dwellings with substandard space provision have been supplied to the market. Many of these space deficient dwellings are rented to low income and homeless households. To convey an idea of how small this accommodation can be, a survey found that some dwellings have been designed with a total floor space as low as 13m² in parts of London for a self-contained flat.²⁰ The reduction in standards through permitted development to promote housing supply via a change of use has left a legacy of extremely poor quality converted housing with a national study finding that just 30% meeting national space standards which are provided as guidance to developers by central government when reviewed in 2018.²¹
3. *Deregulation of Planning and its relationship with COVID-19* – The UK has had no legally-enforceable housing space standards since the 1980 Local Government Planning and Land Act was enacted and as a result England now has the smallest new houses by floor area in Europe.²² Permitted development has merely accelerated a

²⁰ Guardian 2018 “As small as 13 sq metres are these new flats in Britain” 25 August 2018. Accessed on line.

²¹ Clifford, B. et al (2018) “Impact of extending development rights to office-to-residential change” RICS: London May 2018.

²² Morgan, M and Cruickshank, H (2014) “Quantifying the extent of space shortages: English Dwellings” Published online in Journal of Building Research and Information 17 June 2014

wider trend for new market based housing to produce smaller dwellings which are now one third smaller than those built in the 1970s. The COVID-19 virus thrives in confined environments occupied by people. Housing overcrowding is a serious risk factor when considering the impacts of a pandemic. Despite this, the Prime Minister in June 2020 announced a significant extension of the grounds to grant permitted development for conversions from commercial uses to residential use in town and city centres. The reforms were announced under a slogan of ‘building back better’ and revealed a cognitive dissonance at the heart of policy making where a response to a pandemic is to pursue policies known to produce housing standards which can encourage the spread of a pandemic.²³ In reaction to this extension of deregulation, a government planning advisor Professor Ben Clifford remarked ‘Unless there are proper safeguards, we could see even more poor quality, tiny flats being crammed into commercial buildings lacking amenities and green space, these could be what others have rightly called the slums of the future’.²⁴

4. *Deregulation of Building Standards*- It is not just the deregulation of planning and the removal of statutory space standards which have contributed to the lack of resilience of the housing stock for some communities. The fire at Grenfell Tower cruelly exposed the frailties and danger which has been built into housing supply through the deregulation of building controls. It is estimated that more than 20,000 households still live in blocks with flammable external cladding three years after the disaster. The cumulative impact of deregulation of planning and housing is now apparent. The whole system of regulation for planning, housing and building needs to be fundamentally reviewed in the light of the experience of the last decade, and should be a focus of the inevitable Public Inquiry which will follow the pandemic because of its obvious link to public health.
5. *Welfare Policy and its relationship with COVID 19* – A review of welfare policy generally will be needed in the aftermath of the health and economic impacts of the pandemic. There is a question mark in relation to the extent that Universal Credit will be fit for purpose in providing support in an environment of mass unemployment. However, like the planning system there are also clearly identifiable issues in relation to the extent to which welfare reform has encouraged overcrowding amongst poor households. The spare room subsidy, the benefit cap, and the two-child restriction on eligibility for benefit all have the impact of forcing households to seek lower rents and/or smaller space standards in accommodation. These usually impact on larger families but in the case of the spare room subsidy the equalities impact analysis conducted by government at the time of its introduction noted that the reform disproportionately impacted on disabled people, many of whom need a spare bedroom for carers and visitors to support their continued wellbeing.
6. *Return to a Standards-Driven Housing Policy* – The abandonment of urban renewal and housing regeneration policies and programmes has been accompanied by a diminution of housing standards over the last decade. The mantra that housing must be justified by its contribution to economic growth and must pass Green Book financial appraisals which largely ignore health and wellbeing impacts, and need and cohesion

²³ ‘A New Deal for Britain’ Prime Minister’s Office 30 June 2020.

²⁴ Wall, T. “Slums of the future may spring from relaxed Planning rules experts warn” The Guardian 5 July 2020.

issues has finally been exposed as incoherent during a pandemic which so far has cost around 65,000 lives and incurred a financial loss of £300bn to address the first wave of the virus. The costs of this pandemic in human and financial terms will however pale into insignificance in comparison to an unmitigated climate crisis. Public health and wellbeing standards were the foundation of modern housing policy we must collectively re-establish this original sense of purpose and reset the rationale for public sector intervention in our towns and cities

7. *A National Resilience Strategy* – A whole of government approach reflecting a new emphasis on housing quality and standards should be integrated with new policies to address the climate emergency, the ageing society, cohesion, inequality and social mobility, as well as governance, devolution and improvements to emergency management processes and systems. Achieving resilience should be a mainstream policy objective, not a reaction to terrible events; there is much to commend the approach in New Zealand which has been through a learning process borne out of adversity, but the severity of urban problems in England means we have to go much further in scope to build back better.