EEC/09/3/HQ West Devon County Committee 9 January 2009

Regional Spatial Strategy for the South West: Proposed Changes by the Secretary of State

Report of the Executive Director of Environment, Economy and Culture

Please note that the following recommendation is subject to consideration and determination by the Committee before taking effect.

Recommendation: It is recommended that the Regional Spatial Strategy (RSS) Proposed Changes by the Secretary of State, and the implications for West Devon, be noted.

1. Introduction

This report sets out the key changes in West Devon proposed by the Secretary of State (SoS) to the draft Regional Spatial Strategy.

2. Background

Members will be aware that the:

- <u>Draft RSS</u>, published by the Regional Assembly in June 2006, sets out the planning framework for the region over the period 2006 to 2026 for public comment.
- Examinations in Public (EiP), about the content of the draft Plan and the provisions for Gypsies and Travellers were held by independent Panels during the Summer of 2007 and in March 2008 respectively.
- <u>EiP Panel Reports</u> were published in December 2007 and April 2008 setting out recommendations to the Secretary of State.

The Secretary of State (SoS) has now published Proposed Changes to the draft RSS and the provisions for Gypsies and Travellers (July 2008) for public consultation. The deadline for responding to the changes was 24 October 2008.

<u>The Executive on 14 October 2008</u> considered a report setting out DCC formal response to the proposed changes.

3. Key Changes Proposed

Housing Changes affecting the Region as a whole

The Secretary of State is proposing a significant increase in housing provision in the South West Region over and above the higher numbers already recommended by the Panel. The increased provision is focused on three Housing Market Areas – Bristol, Exeter and Plymouth. The SoS also identifies the need for an early Partial Review of the housing provision to look at accommodating additional and longer term housing needs. There is also to be an urgent assessment of the strategic infrastructure requirements, including that necessary to deliver the development proposed.

Specific Changes affecting West Devon Area

<u>In terms of housing provision</u> the SoS proposes an increase on the level housing advocated by the EiP Panel and proposes 4,400 dwellings in West Devon.

The comparison of dwelling provisions proposed in draft RSS, by the EiP Panel and SoS Proposed Changes for West Devon are set out in the Table 1.

District Sub area	Draft RSS provision Dwellings	EiP Panel Report Recommendation Dwellings	SoS Proposed Change to draft Plan Dwellings	Annual provision (Dwellings)
(a)	(b)	(c)	(d)	(e)
West Devon	3,800	4,400	4,400	(220)

<u>Table 1:</u> Comparison of dwelling provisions proposed in draft RSS, EiP Panel and SoS Proposed Changes

<u>In terms of employment provision</u> the SoS reflects the provision set out in the draft RSS by the provision for 52,000 jobs in the Plymouth Housing Market Area, of which about 42,000 jobs will be provided within the Plymouth SSCT area.

Other Policy Changes

<u>Infrastructure</u> - In the context of the Secretary of State's decision to initiate an urgent review of strategic infrastructure, all references to specific proposals within individual sub regions has been deleted from the RSS – although some references have been retained to improved accessibility within specific transport corridors.

Affordable Housing - In respect of affordable housing, the Secretary of State has retained the higher level of provision advocated by the Panel (10,000 dwellings per annum for the South West Region and that provision be made for at least 35% of all housing developed annually in each authority area to be affordable housing), but has deleted the reference to increased levels of provision in areas of greatest need.

<u>Sustainable construction</u> - The policy relating to sustainable construction (Policy G) appears to have been weakened in that it now more closely reflects the national policy regime and makes it more difficult for national targets to be extended.

<u>Gypsies and Travellers</u> - The revised RSS now incorporates policies and proposals relating to gypsies and travellers, following a separate Examination held earlier this year.

4. Matters of Concern in West Devon

The main areas of concern raised by the County Council in its response to the Secretary of State that are relevant to West Devon include:

Overall Levels of Growth and Infrastructure Investment

It is a matter of significant concern to the County Council that the Secretary of State has increased the development totals for the South West whilst simultaneously removing significant elements of the draft RSS relating to infrastructure investment on the basis that (quoting from Baroness Andrew's letter accompanying the Secretary of State's changes) "further work is needed to assess infrastructure needs and priorities" and that on further testing "some proposals may be found to be undeliverable". If there is uncertainty regarding the deliverability

of infrastructure, it cannot be appropriate to increase development levels beyond those recommended by the EIP Panel until that uncertainty has been resolved ideally through the Partial Review.

While, in the case of the Devon area, a comprehensive assessment of strategic infrastructure needs had been undertaken in order to inform the RSS, this assessment had not envisaged the major increases in development provision now being proposed. Government needs to recognise that any acceleration in development rates necessarily requires an increased commitment to funding and facilitated delivery of major infrastructure investment, and that development rates have to take account of the capacity to fund and deliver that investment in order for the wider sustainability objectives of the RSS to be achieved. The County Council will be seeking assurances from Government that achievement of national economic and housing growth targets will be matched by access to sufficient funding for essential infrastructure. It is recommended that until the capacity to address these infrastructure needs has been robustly assessed as part of the RSS Partial Review, it is inappropriate to embody levels of development significantly above those recommended by the EiP Panel.

Furthermore, the County Council is concerned by the evidence base that has informed the Secretary of State's Proposed Changes, namely the 3.2% GVA per annum growth rate assumed across the South West by the Secretary of State which has informed the basis for the higher housing numbers. The EIP Panel accepted that the evidence of past growth demonstrated the considerable difficulty of maintaining the 3.2% target over the RSS period. This concern is particularly relevant in the light of current global economic challenges and uncertainties surrounding the funding of infrastructure needed to enable housing delivery.

It is understood that the Regional Assembly, in its response to the Secretary of State, is also likely to argue for the levels of growth proposed by the EiP Panel to be retained with any higher rates of growth assessed through the Partial Review.

Development Phasing

The RSS seeks to phase housing development in two 10 year periods 2006 to 2016, and 2016 to 2026. Given the level of development acceleration required in some parts of the region, current market dynamics, the ability to secure major infrastructure investment and the current historically low rates of completions, it is unrealistic and unhelpful to suggest an even rate of development delivery over the whole 20 year plan period. Furthermore, such an approach could hamper efforts to deliver sites that are at an advanced stage of the planning process. An unrealistic and unachievable phasing regime will undermine the plan led approach, the basis for LDF preparation, and make it more difficult to programme, secure funding for, and prioritise the delivery of necessary supporting infrastructure.

The County Council thus supports the Regional Assembly's approach of revising the phasing of the RSS to provide targeted 5 year phasing periods that more accurately reflect the challenges facing Local Authorities in the current economic climate, infrastructure assessment work and the delays in the completion of LDF Core Strategies. This phasing should reflect the fact that any acceleration in delivery will not be possible until the latter part of the plan period with any shortages in delivery addressed in the latter stages of the plan period.

Regional Transport Strategy

The County Council objects to the removal of specific transport schemes from the RSS, leaving a significant lack of strategic policy guidance, further reducing the certainty of infrastructure delivery and potentially calling into the question the soundness of the final Strategy. As a minimum there is a need to save existing proposals embodied in the Devon Structure Plan, but,

it is recommended that the final RSS should include schemes identified through the RFA process.

One of the schemes taken out of the RSS is the "second strategic route", and while this is one of the issues to be assessed through the urgent review of infrastructure proposed in the letter from Baroness Andrews, the multi-modal transport corridor identified by the Secretary of State between Exeter and London (via Taunton and/or Salisbury) should be identified as of national importance.

Sustainable Construction and Renewable Energy

The draft RSS as modified by the EiP Panel included challenging, regionally specific policies relating to sustainable construction and on site renewable energy generation, that were founded on a robust evidence base. The Secretary of State has proposed to reword these policies in a way that weakens their impact on future development, with significant implications for achieving carbon reduction and renewable energy targets. The lowering of standards implicit in these changes will not be easily rectified once substantial amounts of development are committed when market conditions improve. The wording of Policies G and RE5 should be amended in accordance with the Regional Assembly's proposed recommendations to state that in planning for new development proposals higher standards of sustainable design, construction, energy efficiency and renewable energy generation should be sought ahead of national targets, especially in major strategic development proposals (e.g. new communities and planned urban extensions).

Replacement of Structure Plan Policies

Under the new planning system, Structure Plans and Local Plans were replaced by the RSS and Local Development Frameworks. While it is accepted that all Structure Plan policies will be replaced over time, the Secretary of State is proposing that all Structure Plan policies should be superseded once the RSS is adopted. In the absence of full LDF coverage, this approach will leave a significant policy deficit in a number of key areas of concern including transport, new communities and minerals policy, hampering efforts to deliver sustainable plan-led development The Secretary of State should recognise that a number of policies need to be saved for an extended period until full LDF coverage is complete, having regard to advice previously offered jointly to GOSW by the County Council and Regional Assembly.

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Electoral Divisions: All in West Devon

Local Government Act 1972

List of Background Papers

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Background Paper Date File Ref.

RSS Secretary of State's Proposed July 2008

Changes

RSS EiP Panel Report December 2007 Executive Committee Report and 14 Oct 2008

Minutes

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