

**WEST MIDLANDS REGIONAL ASSEMBLY**

**Full Assembly meeting**

**23 October 2009**

**RSS Phase Two Revision – Examination in Public Panel Report**

**1. Purpose of Report**

- 1.1 To advise Members on the publication of the Panel Report for the RSS Phase Two Revision and key issues and actions arising from the Report.

**2. Recommendation**

- 2.1 It is recommended that Members note this report.

**3. Background**

- 3.1 Following the Examination in Public (EiP) which was held between 28<sup>th</sup> April and 24<sup>th</sup> June, the independent Panel prepared a Report of findings and recommendations on the draft RSS Phase Two Revision. The Panel's Report was published on Monday 28th September 2009. The Report is available via the Government Office for the West Midlands (GOWM) website:

[\(http://www.gos.gov.uk/gowm/Planning/515750/panelreport09/\)](http://www.gos.gov.uk/gowm/Planning/515750/panelreport09/).

- 3.2 According to GOWM, paper copies of the Panel Report will be made available for inspection at the same places where the draft RSS was deposited by mid October (i.e. at local authority planning departments, and the offices of the Assembly and GOWM) and it will also be sent to all participants at the EiP and local authority Chief Planning Officers. CD versions will be available to view at public libraries.
- 3.3 GOWM has confirmed that the Panel Report is not being consulted on but that stakeholders may wish to refer to it when the Secretary of State's Proposed Changes are published for consultation (see

Section 5). GOWM has also advised that they will not be able to enter into discussions with stakeholders about the Panel Report.

- 3.4 The Panel Report is a very detailed report (240 page main report, plus 150 pages as Annexes) which will require careful analysis and consideration. RSS Policy Leads and Sub-regional Leads have been asked to analyse the Report. An initial analysis of the Report was considered at the RSS Policy Leads and RSS Coordination Group meetings on 7<sup>th</sup> October. Policy Leads and Sub-Regional Leads highlighted a number of key issues for their topic areas/ sub-regions and the Groups considered whether any actions were required in the light of the Panel Report. This is summarised in Section 4 of this report. The analysis was considered and noted by the Regional Planning & Environment Executive (RPEE) at their meeting on 14<sup>th</sup> October.

#### **4. Overview of Panel Report**

- 4.1 This section aims to provide an overview of key issues in the Panel Report following an initial analysis by RSS Policy Leads and Sub-regional Leads. Given the detailed nature of the Panel Report, officers will undertake further analysis over the next few weeks and, if appropriate, report back to Members via the RPEE.
- 4.2 Overall, it can be said that the Panel has done a very professional job and has produced a clear and thorough Report. On the whole, the Panel has generally endorsed the strategy and many of the proposals in the Preferred Option and has made recommendations on how the draft RSS could be further improved. However, in a number of cases 'the devil is in the detail' and officers have identified several issues that raise some concern. These are set out under the topic headings in the remainder of this Section. As explained above, further issues may emerge pending further analysis and, where appropriate, Members will be informed in due course.
- 4.3 It should also be noted that the Panel made some very positive comments on the constructive co-operation and partnership working that underpinned the RSS Revision and the degree of consensus between the Assembly and regional and sub-regional partners. It is clear from the Report that our positive partnership approach became very evident at the EiP, including the sub-regional sessions which were successfully led by sub-regional partners.

#### **Spatial Strategy and overarching policies**

- 4.4 At the EiP, the Panel sought to test the soundness of the spatial strategy in the RSS and the extent to which the overarching objectives and principles were still 'fit for purpose' and sufficiently

flexible to deal with the levels of housing growth proposed as part of the RSS revision. In their Report the Panel concluded that “the principles and essential spatial strategy of the RSS remain sound and do not need changing in order to meet the housing and other challenges now confronting the Region” (para 2.51 of the Panel Report).

- 4.5 In the light of this, the Panel also concluded that it will be essential to maintain “a sustained focus on investment and regeneration in the Major Urban Areas, and a continued emphasis on the use and re-use of previously developed land and buildings” (page 2 of the Report). This endorsement of the existing strategy of urban and rural renaissance is very encouraging.
- 4.6 The Panel also largely endorsed the new Sustainable Region (SR) Policies proposed by the Assembly in Chapter 2 of the Preferred Option, including those on climate change and sustainable communities. The Panel have recommended the inclusion of a new Policy QE10 on Development and Flood Risk, together with changes to existing Policy QE9 on the Water Environment.
- 4.7 As regards Policy SR4 on safeguarding the integrity of European Habitat Sites, the Panel have, with a few changes, endorsed the revised Policy prepared by the Assembly and regional partners. The Panel have concluded that the resultant new Policy SR4 would enable the RSS to go forward with some certainty about how to deal with the issues, while remaining compliant with the HRA requirements. The Panel also highlighted that, although the new policy is designed to deal with the particular circumstances in the West Midlands, the approach may be regarded as best practice that could find wider application.
- 4.8 The Panel has also recommended a new overarching policy in Chapter 3 of the RSS which is intended to set out the essence of the spatial strategy in a strategic policy. In addition, some of the text in Chapter 3 on the sub-regional implications of the spatial strategy has been elevated to new sub-regional policies. It should also be noted that some of the Panel’s conclusions and recommendations are quite prescriptive in respect of broad locations for development in certain authorities. However, it remains to be seen whether or not the Secretary of State’s Proposed Changes will follow this approach.
- 4.9 In respect of the issue of new settlements, the Panel have concluded that the case that new settlements have a role to play is yet unproven. However, the Panel accept that they may have such a role, but not necessarily that they do have a role. Provided that they would be at least as sustainable as urban extensions in any

particular locality then, in the Panel's view, clearly they ought to be an option to be considered at the local level. In particular regarding the Middle Quinton Ecotown proposal, the Panel concluded that they were not convinced that Middle Quinton would represent a particularly sustainable solution towards meeting the very evident housing needs in the southern part of Stratford-on-Avon District. Consequently, the Panel have made no recommendation to endorse this proposal.

## **Housing**

- 4.10 As could be expected, issues relating to housing development and the housing policies in the Preferred Option are covered in some detail in the Panel Report. The Panel have look at these issues from a 'top down' perspective (looking at housing need and demand issues) in combination with a 'bottom up' approach (including issues around local capacity and implications and delivery). The 'bottom up' perspective in the Panel Report is based to a large extent on the detailed discussion at the sub-regional sessions under Matter 8 of the EiP.
- 4.11 **Overall scale of development:** The Panel recommend a total of 397,900 new homes for the period 2006-2026 (see Appendix 1 for details). This is 32,300 higher than the Preferred Option figure of 365,600 dwellings, but considerably less than the numbers promoted by some groups at the Examination in Public, including GOWM/Nathaniel Lichfield & Partners (NLP) and the National Housing and Planning Advice Unit (NHPAU) as well as the house building industry.
- 4.12 **Distribution of development:** The Panel's proposals see an increase in housing figures for the Major Urban Areas (MUAs) of 17,600 dwellings over and above the Preferred Option, compared to an increase of 14,700 in the rest of the Region (see Appendix 1).
- 4.13 Whilst the Panel's recommended overall figure is not as high as promoted by some, it still represents a significant increase (almost 9%) and there are some risks of a substantial level of development in the 'Central Crescent' surrounding the Major Urban Areas. This risk is increased by the fact that the Panel have weakened the **phasing** policy and the sequential approach to the allocation and release of land for housing in the RSS.
- 4.14 The Panel have also recommended that housing numbers in the RSS should be neither 'minima' (i.e. a minimum requirement) nor 'maxima' (i.e. an upper ceiling) but should be regarded as '**targets**' that are to be 'aimed for'. However, there appear to be some inconsistencies in the Report as the Panel suggest that in several instances the figure should be 'at least' met which would suggest a

'minima' approach or potential increases through future strategy/Core Strategy reviews.

- 4.15 **Housing trajectory:** In the light of the recession, the annual building rates being recommended by the Panel in the first ten years are lower than those suggested in the Preferred Option and the housing trajectory is 'back loaded' with significant increases in housing delivery required in the second half of the plan period. However, the Panel indicate that this will need to be looked at again in future regional strategies.
- 4.16 **Affordable housing:** The Panel has recommended a regional affordable housing target of 35% with an annual average of 7,000 (net) affordable homes to be provided in the Region. This represents a very significant increase from the 6,000 (gross) affordable homes per annum proposed in the Preferred Option. The affordable housing target recommended by the Panel will be extremely challenging to achieve. It also raises questions about what will happen if the targets for market housing will be achieved but not those for affordable housing, given that in many cases these relate to the same land. Moreover, the Panel has recommended indicative affordable housing targets for the Sub-regional Housing Market Areas and in some cases these are as high as 50% which seems inconsistent with the Panel's recommendation elsewhere in their Report that only exceptionally should the proportion of affordable housing be either below 25% or above 40%.

### **Employment land and centres**

- 4.17 **Employment land:** The Panel have endorsed the portfolio approach to employment land provision, including the approach of a continuing 'reservoir' of available employment sites. The Panel have recommended some changes to the way in which the indicative longer term employment land requirements are calculated and presented. In addition, the Panel have recommended that authorities will need to identify a 10-year supply of employment land and an indication of where further supply will come from. Altogether, this could lead to increased pressure to identify additional greenfield land and make it more difficult to take account of windfall sites.
- 4.18 **Centres:** The identification of a hierarchy of town and city centres has been endorsed in principle, although the Panel have recommended a reduction on in the numbers of tiers in the hierarchy from four to three. The Panel has also recommended providing greater flexibility around the comparison retail requirements in strategic centres. Whilst this does not need to have serious implications in principle, it may give rise to issues locally as

the ranges for some of the smaller centres would now be quite large.

- 4.19 **Retail and offices:** The figures for the provision of retail and office floor space have generally been endorsed. In the Panel's view, the effects of the economic recession which would suggest lower figures could be balanced broadly with the increase of demand arising from higher housing numbers.

### **Waste**

- 4.20 The Panel concluded that the approach in the Waste Strategy of the RSS Revision is well founded. Consequently, no major changes to the waste policies are proposed but rather a few detailed suggestions and points of emphasis are made. The Panel Report refers to a commitment for the West Midlands as a 'zero waste growth' region. However, for clarity, it should be noted that this is not the term used in this region and it would be more appropriate to refer to a commitment to a 'zero waste to landfill', in line with the objective of treating waste as a resource.

### **Transport**

- 4.21 While the Panel have proposed some updating and clarification of the transport chapter, they are generally supportive of the proposed policy. As regards Policy T12 (Priorities for Investment), the Panel have essentially endorsed the updated list prepared by the Assembly, although the Panel recommend some presentational changes.

### **Monitoring and Implementation**

- 4.22 The Panel were generally very positive about the approach to monitoring and implementation adopted in this Region. The Panel concluded that the updated monitoring framework was found to be 'fit for purpose' and that the implementation arrangements for the West Midlands are as well developed as those for any RSS. The Panel concluded that the work on monitoring and implementation will stand the Region in good stead for the transition to any future arrangements.

## **5. Next steps**

- 5.1 This report has provided a brief overview of the Panel Report based on an initial analysis. Assembly officers, RSS Policy Leads and Sub-regional Leads will continue to analyse the Report. As explained above, additional issues may emerge pending such further analysis and, where appropriate, Members will be informed in due course.
- 5.2 The Secretary of State, via GOWM, will now also consider the Panel Report, together with representations made on the draft RSS, with

the aim of publishing Proposed Changes by the end of 2009. It should be noted that, whilst the Panel's findings and recommendations are clear, it remains to be seen exactly how these will be taken forward by the Secretary of State. There will then be a period of public consultation on the Proposed Changes.

5.3 Following consideration of responses to the consultation on the Proposed Changes, the Secretary of State is expected to publish the final West Midlands Regional Spatial Strategy Phase 2 Revision in mid 2010.

5.4 It is considered to be very important that the RSS Phase Two Revision work can be brought to a final conclusion by the Government to give clarity to the future planning of the West Midlands. A planning policy vacuum at the strategic level would not be helpful to the local planning authorities in the Region.

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## Appendix 1 – Proposed housing figures compared to Preferred Option (PO)

**Table 3.3 – Housing Proposals 2006-2026**

[All cross-boundary figures are consistently listed in the LPA from which they derive]

Planning Area	RSS PO (Net) 2006-2026	Panel (Net) 2006-2026	Increase	Comment	Chapter 8 para reference
<b>Birmingham<sup>1</sup></b>	<b>50,600</b>	<b>57,500</b>	<b>+6,900</b>	<b>Additional capacity substantially as identified by the LPA</b>	<b>8.13 - 8.18</b>
<b>Solihull</b>	<b>7,600</b>	<b>10,500</b>	<b>+2,900</b>	<b>Additional capacity substantially as identified by LPA</b>	<b>8.19 - 8.27</b>
<b>Black Country</b>	<b>61,200</b>	<b>63,000</b>	<b>+1,800</b>	<b>Additional capacity identified by LPAs</b>	<b>8.29 - 8.33</b>
<b>Coventry<sup>2</sup></b>	<b>33,500</b>	<b>33,500</b>			<b>8.34 - 8.42</b>
<b>WM MUA</b>	<b>152,900</b>	<b>164,500</b>	<b>+11,600</b>		
North Warwickshire	3,000	3,000			8.45
Nuneaton & Bedworth	10,800	11,000	+200	Rounding	8.43 - 8.44
Rugby	10,800	11,000	+200	Rounding	8.47
<i>Rugby</i>	<i>9,800</i>			<i>Indicative</i>	8.48
Warwick	10,800	11,000	+200	Rounding	8.49 - 8.53
Stratford-on-Avon <sup>3</sup>	5,600	7,500	+1,900	Additional capacity partially identified by the LPA	8.55 - 8.74
<b>Warwickshire</b>	<b>41,000</b>	<b>43,500</b>	<b>+2,500</b>		
Bromsgrove <sup>4</sup>	2,100	4,000	+1,900		8.85 - 8.87
Redditch <sup>5</sup>	6,600	7,000	+400		8.77 - 8.84
Wyre Forest	3,400	4,000	+600		8.88 - 8.89
Worcester City <sup>6</sup>	10,500	11,000	+500	Rounding of Core Option	8.91 - 8.101

<sup>1</sup> Around 700 to be in Longbridge AAP in Bromsgrove District.

<sup>2</sup> Around 3,500 to be in Nuneaton & Bedworth adjacent to the City boundary to the north near Keresley and around 3,500 to be within Warwick District adjacent to the City boundary to the south in the vicinity of Gibbet Hill/Finham.

<sup>3</sup> Further study should be undertaken in the context of a Core Strategy Review on the potential for sustainable provision of a further 2,500-3,000 dwellings for the 2021-26 period.

<sup>4</sup> Further study should be undertaken in the context of a Core Strategy Review on the potential for sustainable provision of a further 2,000-3,000 dwellings for the 2021-26 period.

<sup>5</sup> Around 4,000 within the Borough and around 3,000 in Bromsgrove District adjacent to the Redditch boundary.

<sup>6</sup> At least 3,500 will be in Worcester City, at least 3,500 in Malvern Hills adjacent the West boundary of the City and the remainder split between the City, Malvern Hills and

Planning Area	RSS PO (Net) 2006-2026	Panel (Net) 2006-2026	Increase	Comment	Chapter 8 para reference
Malvern Hills	4,900	5,000	+100	Rounding of Core Option	8.101
Wychavon	9,100	9,500	+400	Rounding of Core Option	8.101
<b>Worcestershire</b>	<b>36,600</b>	<b>40,500</b>	<b>+3,900</b>		
Cannock Chase <sup>7</sup>	5,800	6,800	+1,000	No actual increase within Cannock Chase given SAC issue only identification of cross-boundary requirement in Lichfield District.	8.108 - 8.110
South Staffordshire	3,500	3,500			8.107
Tamworth <sup>8</sup>	2,900	4,000	+1,100	Little actual increase within Tamworth Borough but that total should be regarded as a minimum to be exceeded if possible; mainly identification of cross-boundary requirement in Lichfield District.	8.111 - 8.114
Lichfield	8,000	8,000		Although unchanged this represents an increase of around 2,000 as Cannock Chase and Tamworth requirements now identified separately. It should allow proper long-term consideration of NE Lichfield/Fradley.	8.115 - 8.121
East Staffordshire	12,900	13,000	+100	Rounding only as cannot count Drakelow provision and provision also made instead at NE Lichfield/Fradley.	8.122 - 8.125
<i>Burton-on-Trent</i>	<i>11,000</i>	<i>11,000</i>		<i>Indicative</i>	<i>8.125</i>
Stafford <sup>9</sup>	10,100	11,000	+900	NGP requirement	8.126 - 8.132

Wychavon Districts adjacent to or in the vicinity of the City as determined in the joint Core Strategy.

<sup>7</sup> Around 1,000 to be in Lichfield District adjacent to Rugeley.

<sup>8</sup> At least 1,000 to be in Lichfield District adjacent to north Tamworth.

Planning Area	RSS PO (Net) 2006-2026	Panel (Net) 2006-2026	Increase	Comment	Chapter 8 para reference
<i>Stafford</i> <sup>10</sup>	7,000	8,000	+1,000	<i>Indicative</i>	8.129
Staffordshire Moorlands	6,000	6,000			8.141
Newcastle-under-Lyme (rural part)	900	900			8.142
<b>Staffordshire other than North Staffs MUA</b>	<b>50,100</b>	<b>53,200</b>	<b>+3,100</b>	Adjusted to exclude North Staffs MUA.	
Newcastle-under-Lyme (MUA)	4,800	7,800	+3,000	Indicative assumption that extra 6,000 post 2016 split evenly. No rounding given short-term market fragility and need for Core Strategy DPD Review.	8.140 – 8.142
Stoke-on-Trent	11,400	14,400	+3,000	Indicative assumption that extra 6,000 post 2016 split evenly. No rounding given short-term market fragility and need for Core Strategy DPD Review.	8.140 – 8.142
<b>North Staffs MUA</b>	<b>16,200</b>	<b>22,200</b>	<b>+6,000</b>	<b>Increase post 2016</b>	
<b>Telford &amp; Wrekin</b> <sup>11</sup>	<b>26,500</b>	<b>26,500</b>			8.134 – 8.137
<i>Telford</i>	25,000	25,000		<i>Indicative</i>	8.137
<b>Herefordshire</b>	<b>16,600</b>	<b>18,000</b>	<b>+1,400</b>		8.149 – 8.154
<i>Hereford</i>	8,300	8,500	+200	<i>Indicative</i>	8.152
<b>Shropshire</b> <sup>12</sup>	<b>25,700</b>	<b>27,500</b>	<b>+1,800</b>		8.143 – 8.148
<i>Shrewsbury</i>	6,200	6,500	+300	<i>Indicative</i>	8.147
<b>Military Households</b>		<b>2,000</b>	<b>+2,000</b>		8.130 – 8.132, 8.148
<b>MUAs</b>	<b>169,100</b>	<b>186,700</b>	<b>+17,600</b>	46.25% > 46.92%	
<b>Other areas</b>	<b>196,500</b>	<b>211,200</b>	<b>+14,700</b>	53.75% > 53.08%	
<b>West Midlands Region</b>	<b>365,600</b>	<b>397,900</b>	<b>+32,300</b>		

<sup>9</sup> 1,000 additional for Defence Personnel related to Stafford on return from Germany separately listed. Subject to further studies part of the provision for Stafford may be provided in South Staffordshire District adjacent to the southern boundary of Stafford.

<sup>10</sup> See footnote 9 above.

<sup>11</sup> See footnote 12 below.

<sup>12</sup> 1,000 additional for Defence Households related to Cosford/Donnington on return from Germany separately listed.