

**WEST MIDLANDS REGIONAL ASSEMBLY**

**8 July 2009**

**Regional Spatial Strategy Phase Two – Examination in Public**

**1. Purpose**

- 1.1. To report on the Examination in Public (EiP) in to the RSS Phase Two Revision that has now been completed.

**2. Recommendation**

- 2.1 That the Assembly notes the issues that arose during the EiP and endorses thanks to the region's local authorities for their active support.

**3. Background**

- 3.1 Over 700 authorities, organisations and individuals submitted representations on the Phase 2 Revisions to the EiP Panel by the December deadline. In the light of these, the Panel in March published a programme of sessions, matters to be debated and persons/organisations to be invited to each session. A second preliminary meeting was held by the Panel on 18 March to confirm their approach to the Examination. This was followed by a technical seminar on water, focussing on issues of water supply, treatment capacity and the impact of the RSS strategy on river habitats of European importance for nature conservation.

- 3.2 The EiP opened at the Molineux Stadium in Wolverhampton on Tuesday 28 April. Cllr David Smith made an opening address to the first session which received coverage in the press and on regional BBC television news. The EiP then progressed through a structured programme of 28 sessions spread over seven sitting weeks and closed on Wednesday 24 June. The EiP progressed through debates on strategy and topic-based sessions (housing, employment land etc) and to a series of 15 detailed debates at sub-regional level. It then concluded with a final session on implementation and monitoring.

#### **4. Overview**

- 4.1 The Panel was chaired by a highly experienced planning inspector, Alan Richardson, who conducted the RSS Phase 1 Revision in respect of the Black Country. He was assisted by an equally experienced inspector, Peter Robottom and highly effective Panel Secretary, Pam Perceval-Maxwell. As a result, the Examination was conducted efficiently and professionally and stuck closely to timetable. The structure of sessions adopted for the Examination took account of the recommendations made by the Assembly in response to consultations on the draft programme. In particular, that structure enabled the debate to proceed from an examination of the over-arching strategy approach first to more detailed topic debates within that overall strategy context.
- 4.2 The Assembly's case came under detailed scrutiny by the Panel, but was not found wanting, thanks to thorough preparation and positive support from the region's local authorities.. Events since December 2007 (when the revision was submitted to the Minister) necessitated a high volume of additional research, supplementary reports and explanatory notes to demonstrate the Strategies' continuing relevance. In presenting its case, the Assembly relied heavily on the network of regional policy advisors in the region's local authorities and a small number of specialist consultants of national reputation.
- 4.3 The submitted strategy came under attack from other participants who advocated different development patterns and either higher or lower levels of growth. It was not however necessary to make any policy concessions requiring the Board's approval, nor consultation with the Chairman under the terms of the delegation arrangements agreed at the 25 March Assembly Board meeting. Minor concessions and clarifications requested by the Panel were endorsed by the Assembly's Chief Executive and management team.
- 4.4 The major issues that arose during the EiP are set out below for the Assembly's information.

#### **5. Sustainability and Habitat Protection**

- 5.1 In response to concerns raised about the adequacy of The Assembly's Habitats Regulations Assessment (HRA), the Assembly entered into negotiations with the Countryside Council for Wales and the statutory environmental bodies. These negotiations were aimed at resolving objections regarding the adequacy of Policy SR 4 ("Improving Air Quality for Sensitive Ecosystems") to protect sites of European importance for nature conservation. These sites include Cannock Chase, the Severn Estuary and the Welsh rivers that flow into our region.

- 5.2 As a result of these negotiations the Assembly submitted to the Panel an expansion of Policy SR4 covering water supply, water quality and visitor impact, as well as air quality, in respect of their impact on site of European importance. This wording was agreed by all parties to the negotiations, including Government Office West Midlands. This policy expansion, if accepted by the Panel, will expand the overarching sustainability policy base but will not change the overall strategy of urban and rural renaissance.
- 5.3 These negotiations take on additional significance in light of the recent successful Judicial Review challenge to the East of England Regional Spatial Strategy. In this case, a High Court Judge quashed the RSS in two locations in Hertfordshire where the Secretary of State had raised the housing targets above the figures recommended by the Panel. The Judge found that the Secretary of State had not undertaken a full and proper Strategic Environmental Assessment (a parallel procedure to HRA) and had not assessed alternative locations for the proposed growth.

## **6. Level and Distribution of Housing**

- 6.1 The Assembly and its partners have made a cogent case in defence of a level and a distribution of housing that will implement urban and rural renaissance, be sustainable and be deliverable. The expected pressure has come from the house building industry to raise targets and release more green field land. These interests have endorsed the argument in the Government Office's housing study from Nathaniel Lichfield and Partners that "there is no evidence that higher development levels on green field sites will undermine urban renaissance". The Assembly was able to present a fully evidenced case of a long term trend of migration from the major urban areas in response to policies that encouraged such decentralisation and allocated much green field housing land in the shires. This is why a refocusing on urban renaissance is so badly needed.
- 6.2 The EiP focussed on the recent publication of the Government's 2006-based household projections for the English regions in mid March 2009. These suggest an additional growth of 61,000 households in the region (2006-2026) giving a total of 431,000. The EiP Panel also took advantage of the presence of the Head of the Cambridge Centre for Housing and Planning Research to open a discussion on the unit's updating work for the Assembly in light of the 2006-based figures. This suggests a total number of additional households (taking account of previous growth estimates and changing housing market circumstances) of between 390,000 and 411,000 households.

6.3 The Assembly strongly suggested that *deliverability* of housing in current economic circumstances must be the key consideration and that the Phase 2 Revision (with its detailed implementation plan) was the most thoroughly researched strategy before the Panel. Another key argument presented was that simply raising the regional housing target would do little or nothing to improve affordability. Neither would it give easier access to decent housing to those who could not afford to purchase on the open market. It was made very clear to the Panel that the Assembly's officers had no remit to express an opinion on the suitability of the higher numbers suggested. Such higher targets should, indeed be tested through a full RSS Review (not the current partial Revision) or as part of the proposed Single Regional Strategy.

6.4 The Panel returned to the question of higher housing numbers in the 15 sub-regional sessions to test development capacities at a more detailed level. However, the Judicial Review decision on the East of England RSS (referred to above in paragraph 5.3) was an issue of concern to all participants in those debates. On the basis of independent legal advice, the Assembly wrote to the Panel to draw to their attention the procedural issues – and potential delay – that would arise (through the need to undertake a new Strategic Environmental Assessment) if they or the Secretary of State wished to promote higher housing targets.

## **7. Employment Land and Commercial Development**

7.1 The challenges to the policies in the Phase Two Revision in these areas were limited. The approach adopted for employment land (a readily available five year “reservoir” and a long term supply) commanded widespread support. In the current economic circumstances, the pressure to raise office and retail floor space targets was more muted than it might otherwise have been. There was however some uncertainty about the effectiveness or need for linking housing growth targets with employment land allocations

7.2 The debates instead focussed on the range of policies promoting regionally significant sites – Major and Regional Investment Sites and Regional Logistics sites. Individual sites were promoted – particularly the Regional Logistics Sites at Hams Hall and Birch Coppice – and greater flexibility was sought, particularly in respect of Major Investment Sites that are to be reserved for single occupiers. There was also some debate concerning the appropriate balance between in centre and out of centre office development. The Assembly was happy to agree with the Panel that the text supporting policy PA13B should

refer to the aspiration for *a minimum* of 65% of uncommitted office floor space being located in or on the edge of strategic centres.

## **8. Sub Regional Sessions**

8.1 These sessions were led on the Assembly's behalf by the relevant local authorities. This arrangement brought local knowledge and experience to the debates and demonstrated clearly to the Panel that there was widespread support for the submitted strategy. The Panel were particularly concerned to find out how advanced Local Development Framework preparation was and whether the supporting infrastructure needs had been addressed.

8.2 It was disappointing to note that the involvement of the development interests was much weaker in the debates on north Staffordshire, Stoke on Trent and the Black Country than for those on Warwickshire and Worcestershire where land values are higher and the market is stronger. This underlines the task we face in refocusing on the regeneration of the older urban areas of the region where the need for urban renaissance is the greatest.

## **9. Middle Quinton Ecotown**

9.1 This proposal on the south Warwickshire/south Worcestershire boundary was not part of the Phase 2 Revision strategy. It was however accorded a full session in its own right in light of the Government's interest in promoting ecotowns across England. There was little support for the proposal outside the promoters of the scheme themselves. The case made for the ability to attract sufficient jobs and to provide bus and rail connections was not convincing.

9.2 The Government has said that it will not make a decision on the Middle Quinton ecotown until it has received and considered the Phase 2 Revision Panel Report.

## **10. Implementation**

a. Much time has been spent during the EiP in debating the impact of the current global recession on the deliverability of the Phase 2 Revision. The Assembly has been candid in asserting that deliverability will be a challenge; but the Phase 2 Revision is the only strategy before the Panel that has an implementation plan prepared in support of it. The clear implication of the current economic circumstances is that substantially higher housing targets – such as proposed in the study commissioned by Government Office – will be very difficult indeed to deliver. The current downturn in house building would necessitate extremely

high annual house building rates towards the end of the plan period, building rates that have never been achieved in the region.

- b. The final monitoring and implementation session pulled all these debates together and looked at the Assembly's recently-submitted Implementation Plan Supplement. This was prepared by the region's local authorities on the Assembly's behalf. The Supplement demonstrates in some detail what infrastructure provision is needed in advance of development, particularly for the major urban areas and the settlements of significant development. The funding for such infrastructure is by no means totally identified, but the funding gap significantly increases for the higher housing targets others have proposed.

## **11. Conclusions**

- a. The Examination in Public has been the main commitment for the Assembly's officer team in the current financial year. The achievement of the Assembly's Head of Planning, John Pattinson, and his team in pulling together and sustaining such a consistently professional case has been an outstanding piece of work.
- b. Acknowledgement also needs to be made of the substantial contribution made by the region's local authority officers to our case at the EiP. The Assembly is invited to formally record its thanks for this contribution.
- c. The outcome of the debates will ultimately be determined by the Secretary of State. He will base his decisions on the EiP Panel report which is expected to be published and submitted in September. No Secretary of State will be able to lightly disregard a Panel report of the weight expected from this particularly expert Panel. The Board can however be assured that the Assembly has mounted the best possible defence of the agreed strategy for the region's next 20 years. A further report will be made when the Panel report is received.

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