

Agenda Item No. 10

**WEST MIDLANDS REGIONAL ASSEMBLY
Board of Directors - Friday 8 December 2006**

The Revision of the West Midlands Regional Spatial Strategy and the Review of the West Midlands Economic Strategy

1. Purpose of the Report

The purpose of this report is to:

- a. provide an update on current progress in revising the West Midlands Regional Spatial Strategy (WMRSS) and in reviewing the West Midlands Economic Strategy (WMES);
- b. demonstrate that action is being taken to ensure effective linkages between the two processes; and
- c. give consideration to the consultation documents on the WMRSS options and the WMES Choices.

2. Recommendation

- 2.1 That the contents of the report be noted.

3. Background

- 3.1 Members will be aware that both the West Midlands Regional Spatial Strategy and the West Midlands Economic Strategy are currently under revision and review respectively. The RSS is undergoing a partial revision in three phases whilst the WMES is undergoing its three year review to ensure it remains fit for purpose.
- 3.2 This report outlines the key issues which are being addressed, identifies how the processes for the review and the revision are aligned and gives consideration to the current consultation documents for both strategies.
- 3.3 The WMES policy choices consultation was launched on the 10th November at AWM's annual conference and runs until the 28th February 2007. The RSS options consultation will be launched on the 8th January 2007 and finishes on the 5th March 2007.

4. The West Midlands Regional Spatial Strategy Revision

4.1 WMRSS Background

- 4.1.1 The WMRSS incorporates the Regional Transport Strategy and guides the preparation of Local Development Frameworks and Local Transport Plans. It

also provides the spatial framework for investment decisions of public bodies including AWM and the private sector. Urban and rural renaissance with sustainable communities is the key focus of the WMRSS.

- 4.1.2 The RSS was published in June 2004; it was recommended by the Secretary of State that an immediate revision of certain elements should begin. The Regional Planning Partnership took the decision that this should be undertaken in a phased way - Phase One being the Black Country Study.
- 4.1.2 The Phase Two Revision was launched with the consultation Project Plan in February 2006. It considers a wide range of issues, including housing, employment land, waste and transport.
- 4.1.3 Phase Three is timetabled to start in spring 2007. Issues included in Phase Three are critical rural services, recreational provision, regionally significant environmental issues and the development of a framework for provision of Gypsy and Traveller sites.

4.2 WMRSS Phase Two Spatial Options

- 4.2.1 The draft Phase Two Spatial Options which take into account the advice received from Strategic Authorities received earlier in the year, have undergone a Sustainability Appraisal/Strategic Environmental Assessment (SA/SEA), a rural proofing exercise is being undertaken by a sub group of the Regional Rural Affairs Forum and the Equality and Diversity Partnership are being asked to look at the strategy from an equality and diversity perspective.
- 4.2.2 Members of the Regional Planning Partnership signed off the final options document on the 16th November. On the 8th January 2007 the eight week public consultation period will be launched.
- 4.2.3 The Spatial Options are designed to open up issues for debate and to invite comment. Key issues include:

Communities for the Future:

- Overall levels of households up to 2026 and distribution of new housing provision at Local Planning Authority level, understanding the implications of the Government household projections for the Region.
- Housing affordability and mix

Prosperity for All:

- Employment land provision, including identifying a minimum reservoir of land for each Local Planning Authority
- Potential options for further regionally significant employment sites: Regional Logistics Sites, Regional Investment Sites and need for additional Major Investment Sites
- Centres: identifying the investment priorities for the Strategic Centres including the balance between 'in centre' and 'out of centre' office development

Waste:

- The WMRSS will incorporate the Regional Waste Strategy when re-published. The Options will consider municipal, commercial and industrial waste exploring issues of diversion from landfill and appropriate levels of tonnages for Waste Planning Authorities.

Transport:

- Issues being considered include: strategic park and ride, car parking standards, road user charging and the role of the airports.

4.2.4 The Spatial Options will put forward for consultation challenging issues for the Region. The comments received through the consultation period will be used to inform the Preferred Option, submission intended for December 2007.

4.2.5 The timetable for the WMRSS Partial Revision is set out below in Table One.

5. The West Midlands Economic Strategy Review

5.1 WMES Background

5.1.1 The review of the WMES was launched by Advantage West Midlands and the Regional Assembly at the end of March 2006. The West Midlands Economic Strategy sets out what the West Midlands needs to do to improve economic performance by both building on strengths and addressing the market failures that hold back the Region's economy.

5.1.2 The WMES is reviewed every three years (in line with DTI Guidance) to ensure that it remains relevant and continues to provide the right solutions. Economic realities such as the changing demographic profile of the workforce along with the current global challenges will need to be considered - as well as changes in the way that the Region delivers economic improvements such as Local Area Agreements, Multiple Area Agreements and responds to potentially changing regional structures and institutions (such as City Regions).

5.1.3 The current review of the WMES will consider the agreed actions which will be required to ensure existing targets for 2010 are met, but will also look beyond that milestone to 2020 to establish what the Region will need to do to continue to improve economic performance.

5.1.4 The guidance on Regional Economic Strategy Reviews does not require a formal 'policy options' phase, but this time the WMES is being reviewed through a two stage consultation process: with full consultation at an early stage of policy development, (WMES Choices Consultation), as well as on the full draft of the Strategy document itself (May to July 2007).

5.1.5 As with the WMRSS Review, a Sustainability Appraisal and Strategic Environmental Assessment are being undertaken for the WMES Review. Likewise, rural proofing will be undertaken, as agreed with the Regional Rural Affairs Forum, and the Equality and Diversity Partnership are being asked to look at the strategy from an equality and diversity perspective.

5.1.6 Phase One of the review, Building the Evidence Base, is now completed. Five strands of research were undertaken, as follows:

- Examination of the Regional Economic Context
- The Relative Performance of the West Midlands Economy
- The Functioning Economic Geography
- Evaluation of the Current West Midlands Economic Strategy

- Evaluation of the Three Delivery Mechanisms

A report has been prepared for each of the five strands of research undertaken; these are available on the WMES review website at <http://www.advantagewm.co.uk/wmesreview.html>.

5.1.7 Phase Two of the review has also been completed. The consultancy firm Regeneris was appointed to scope the Policy Choices phase, the outcome from which is the WMES Policy Choices consultation document. An early draft of the document was presented to and endorsed by the WMES Review Regional Reference Group on the 1st September.

5.3.3 This phase of the review will consider how the region can best address established challenges using key policy levers, with discussion focused on a specified range of key issues: Enterprise; Innovation; Skills; Economic Activity; Quality of Life; and Infrastructure.

5.3.4 Phase Three of the Review is now underway with the launch of the choices consultation document on the 10th November. The deadline for receipt of responses is 28th February 2007.

Table One: The Timetables for the WMRSS Revision and WMES Review

Stage of the Revision / Review	WMES	WMRSS
Building the evidence base	March to August 2006	Ongoing
Develop Policy Options	Sept to Oct 2006	May – Nov 2006
Options Consultation Launch	10 th November 2006	8 th January 2007
Options Consultation Close	28 th February 2007	5 th March
Draft Economic Strategy	March to April 2007	N/A
Development of Preferred Option	N/A	March 2007 onwards
Consultation on Draft Strategy / Preferred Option	May to July 2007	June 2006
Publication of completed Strategy and Action Plan	Autumn 2007	N/A
Submission to Government	N/A	December 2007
Examination in Public	N/A	Mid 2008
Secretary of State Proposed Changes	N/A	Late 2008
Final RSS Phase Two changes published	N/A	Early 2009

6. Aligning the WMES and the WMRSS

- 6.1 The WMRSS Partial Revision and the Review of the WMES are running concurrently and it is therefore vital to ensure that as the policy options develop they are aligned so that the two strategies remain mutually supportive. To this end, officers from Advantage West Midlands and the Regional Assembly are involved in detailed liaison on a regular basis.
- 6.2 A WMRSS/WMES Working Group has been set up to take forward this work. In its early discussions, the Group has agreed that there is a need to ensure that the WMES and RSS evidence bases are linked to become a joint evidence base for strategy development and that there should be joint media management of the two processes. Work to develop these areas is underway.
- 6.3 The following areas have been identified as the key areas of linkage between the WMES and Phase 2 of the WMRSS revision;
- patterns of housing growth/employment needs
 - employment land provision
 - centres.

These provide a focus for technical discussions on the options/choices documents. This group along with other officer-led discussions will be important in ensuring that the technical elements of each strategy develop in such a way as to allow continuing mutual support within each strategy, based on the evidence base which has been developed in the region.

- 6.4 Assembly and Advantage West Midlands officers have also worked together to ensure that the policy options/choices documents are fit for purpose and in particular provide the foundations for robust debate within the region on the way forward.

7. Opportunities for the WMES and the WMRSS to mutually support each other

- 7.1 This section outlines some broad and general areas of interest that it will be important to consider in more detail during and following completion of the Spatial Options and WMES consultations.
- 7.2 In terms of enterprise, business growth and any sectoral focus that may develop through a draft WMES it will be important that consideration is paid to current supply and future provision of suitable and appropriate employment land and business space to ensure that the spatial and economic strategies are aligned and complementary. It will also be important to ensure that the direction of the WMES supports the urban and rural renaissance of our region.
- 7.3 There are strong potential connections between key policy choices around economic activity, quality of life and infrastructure and the fundamental principles of the WMRSS on Urban and Rural Renaissance. It will be important that the strategies, policies and activities set out within both the WMES and WMRSS are aligned and complementary with regard to these principles.
- 7.4 The WMRSS Spatial Options are addressing affordable housing provision in the Region to 2026, the Preferred Option will set out the regional approach to

addressing affordable housing needs and targets. The provision of sufficient, mixed and affordable housing within the Region is fundamental to its economic ambitions and again it will be important to ensure that the right mix and scale of housing is complementary to and aligned with any significant economic restructuring or developments that may be promoted or encouraged through the draft WMES.

- 7.5 Once revised the WMRSS will incorporate the Regional Waste Strategy. Both the WMRSS and the WMES will need to consider how future waste management is integrated with employment land and housing proposals. In addition there may be opportunities for waste management and associated technologies to contribute to the growth of the Region's economy.
- 7.6 Building on the existing WMRSS principles of Urban and Rural Renaissance the consultation responses to the WMRSS Spatial Options will help to shape the future role of communities in the Region. The role of place within the draft WMES will clearly be an important element in terms of describing and highlighting the spatial implications of the agreed priorities and objectives. The WMRSS/WMES Working Group will therefore have a key role in developing and taking forward this element as the draft WMES emerges.

Rose Poulter
Director of Policy
r.poulter@wmra.gov.uk

Roger Sumpton
Corporate Director
RogerSumpton@ADVANTAGEWM.CO.UK