Stakeholder views on the impact on the West of England of the abolition of the SW Regional Spatial Strategy and of the emerging National Planning Policy Framework

Summary report

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SUMMARY REPORT

1. Regional Spatial Strategies were introduced across England in 2004 replacing county-wide structure plans. Based initially on existing Regional Planning Guidance, it was intended that each region would develop and implement new RSSs based on detailed evidence-gathering and consultation, and that they would be subject to examination in public.

2. Implementation of RSSs became increasingly contentious. The Conservative Party announced in August 2009 its intention to abolish them if elected and in May 2010 the incoming Coalition Government duly announced that it would revoke RSSs. In July 2011 it published the Draft National Planning Policy Framework (NPPF) setting out its intentions for the planning system and how it would operate following abolition.

3. This report sets out findings from research into stakeholders’ views on the abolition of RSS and the emerging national planning framework, focused on the West of England. The city-region has a history of economic prosperity, and the draft SW RSS had set out plans for significant levels of continued economic growth and physical development in the West of England. It is, however, split administratively into four separate unitary authorities raising issues over effective collaboration. Once the intention to abolish the RSS had been announced, each authority also announced reductions in planned housing numbers compared with the draft RSS amongst the largest for all authorities.

4. The West of England is therefore of particular interest given the Government’s intention that the planning system should incentivise and deliver economic growth, the potential implications of removing strategic-level planning, and the reliance on cross boundary collaboration as set out in the draft NPPF.

5. The research was carried out between August and December 2011 and included face to face interviews with nearly thirty stakeholders including local authority elected members and officers, developers, consultants and professionals, civil servants, representatives of former regional bodies and of key national organisations. The primary research was completed prior to the publication of the final NPPF in March 2012.

6. This summary is provides an account of the main views of stakeholders on the abolition of RSS and on the emerging NPPF. A brief summary cannot do justice to the full spectrum of views, and the variety and nuances contained in what is a significant body of detailed discussion. For a much fuller account of this we refer you to the main report.

RSS prior to abolition

7. Views on the RSS itself prior to abolition varied greatly across different stakeholders. There was broad acknowledgement (somewhat begrudging from some) that the RSS process at least was a catalyst for strategic thinking, lifting the perspective beyond immediate local authority boundaries and supporting longer term thinking and a more positive narrative in relation to growth.
8. It was widely argued that the policy debate had, however, been dominated by housing and housing numbers – to the possible detriment of other areas where progress had been made, on waste, renewable energy and provision of gypsy and traveller sites.

9. It was also, however, acknowledged that the RSS had focused on housing, economic development and infrastructure in a joined-up way. The RSS was seen as addressing infrastructure needs as part of the growth agenda in a more positive and strategic way than previously – tempered by scepticism as to how this might be delivered in practice.

10. It was suggested by some that, at the time, the RSS process had led to acknowledgement and acceptance of the framework for growth on the part of local authorities. Whilst RSS still looked likely to be implemented, local authorities had to an extent, if reluctantly, come to terms with it based, at least on the housing numbers in the original submitted draft.

11. As the numbers were ramped up, however, by the recommendations of the EIP panel and the Secretary of State’s proposed changes, opposition at a local level hardened and the proposals lost credibility, even before the recession started to bite, and before the prospect of revocation. Particularly true of the local authorities, this view was also, to an extent, shared by the development sector who saw the levels of growth as undeliverable.

12. There were concerns over the lack of democratic legitimacy of the RSS process and the status of the Regional Assembly. The process was seen by some as having been ultimately driven by central government based on political choices – rather than by technical arguments around demographics or economic strategy as sometimes suggested.

Views on abolition

13. The views of different stakeholders polarised and hardened with the prospect that RSSs would be revoked, prompted by the letter from Caroline Spelman, Shadow Secretary of State for Communities and Local Government in August 2009, as the recession and housing market slowdown deepened and as the issue of housing numbers was increasingly politicised in the run-up to the election. The four local authorities had all indicated their intention to reduce significantly, planned housing numbers. There was an even clearer divide between different stakeholders once abolition became a reality following the election.

The local authority view

14. Local authority members were almost universally relieved and delighted, a view largely shared, with only minor regrets, by officers.

15. In an immediate sense abolition provided a high degree of certainty that authorities could follow-through on promises to reduce future housing commitments. Some uncertainty at the time the interviews were conducted still surrounded the implications of the NPPF but all four authorities moved swiftly to incorporate revised proposals into the evolving policy framework including revised Core Strategies.
16. More broadly, abolition was seen as providing a much greater degree of local determinism, despite uncertainty over the NPPF. Local authorities saw the future much more in terms of localism than as a ‘developer’ charter’ – a view largely shared by development interests. This was seen not simply in terms of reducing levels of housing development but the more positive pursuit of locally determined policy objectives in all four authorities.

17. The fact that authorities would now be clearly responsible for local decisions, lacking any form of external scapegoat or referee, and the threat to collaborative working developed under the auspices of RSS, were minor concerns voiced by some in local government. It was also argued that the prolonged recession and housing market downturn had in any case made the sort of targets set out in the RSS meaningless.

The development sector and other stakeholders

18. Stakeholders from the development sector and former regional bodies were largely critical of abolition. In particular, they saw the lack of a strategic framework and a ‘larger than local’ dimension as creating a lack of certainty and support for future investment. More specifically, abolition and the commitment on the part of local authorities to cut back local housing targets was seen as impacting on a wide range of planned development projects including major urban expansions identified in the RSS. Abolition had the immediate effect of stopping a range of development schemes coming forwards or being progressed.

19. Whilst acknowledging the impact of recession in the short term, the view of these stakeholders was that without the RSS there would be lower levels of housing supply and economic development in the West of England at least in the medium to long term as the economy recovered.

20. This was seen as impacting on house prices, housing affordability and housing supply including of affordable housing. It was also seen as having major implications, in turn, for employment growth and the future economic performance of the West of England.

After abolition: the emerging National Planning Policy Framework

21. The draft NPPF published in July 2011 gave some clear indication of the intended framework for planning that would take the place of that planned under RSS. The brief document prompted widespread, heated debate, and speculation from a wide range of stakeholders nationally. A national inquiry by the House of Commons Committee on Communities and Local Government collected extensive evidence, publishing its report in December 2011.

22. Interviews for this report were conducted over the period August to December 2011 as this debate unfolded. They therefore reflect the variety of knowledge and understanding of stakeholders at the time that discussion took place. But, with this proviso, they provide a useful perspective on the prospects for post-abolition planning.

23. The general view from stakeholders across the spectrum was that the draft NPPF was broad brush, somewhat vague and lacked clarity and detail, particularly as a basis for
actual decision-making. The view at the time was that there was considerable potential for further development of the draft NPPF.

Developer's charter or triumph for NIMBYISM?

24. Much of the debate focused on whether the emerging national planning framework represented what had been polarised nationally as a ‘developers’ charter’ versus a ‘triumph for nimbyism’. Locally, there was, at least at the time, some concern on the part of local authorities (members more so) that the reforms could result in a free-for-all for developers.

25. There was concern that developers would seek to capitalise on the proposed ‘presumption in favour of sustainable development’, challenging the existing planning framework through opportunistic applications and the pursuit of appeals – the series of challenges mounted by Cala Homes heightened awareness of this potential.

26. There was growing confidence however, that established core strategies would provide a strong measure of protection. This view was reinforced when the Bristol Core Strategy, incorporating significantly reduced housing numbers, was found sound in June 2011.

27. Development sector stakeholders also rejected the ‘developers’ charter’ view, in part because in contrast to some of the strident national voices at the time, they saw core strategies and the draft NPPF as reinforcing locally determined policy. Uncertainty, coupled with the depressed market further removed the likelihood of any sort of development free-for-all.

28. They also saw localism as reinforcing NIMBYISM in the sense of that the four local authorities appeared increasingly to be focusing on issues relevant to their own territories with little concern for relationships across the city-region as a whole.

29. Development stakeholders saw a contradiction between the government’s support for localism on the one hand and its broad growth agenda and objectives in terms of housing delivery on the other, which had not been resolved in the draft NPPF.

30. A variety of stakeholders from different sectors questioned whether, when the rhetoric had abated, the planning system, once it settled down, would in practice be significantly different from how it had operated in the past.

31. Given the key role of Core Strategies, a number of stakeholders noted the onus or burden this placed on Planning Inspectors, their views on the evidence and decisions on soundness. Private sector stakeholders saw inspectors as under pressure to find plans sound and, at the time, questioned the rationale for the Bristol decision and potential outcomes for the other three authorities in the face of demographic evidence.

The duty to cooperate

32. Views again varied on the likely operation and success of the duty to cooperate. The local authority view was that effective working relationships had, if anything, improved
more recently (in part through the RSS process) and that cooperation in the future was not an issue.

33. Local authority representatives stressed that whilst there were boundary issues, each authority had their own set of issues to deal with on an individual basis. All had reduced planned housing numbers and did not perceive that there was unmet need to be met on a collaborative basis.

34. Developers on the other hand were highly critical of the past record of collaboration with only limited exceptions, and were sceptical that any meaningful cooperation would be achieved in the future under the auspices of the duty to cooperate. Even those more optimistic based on the recent record (particularly around transport initiatives), saw political pressures and the power of local groups strongly asserting the localist agenda to the detriment of development.

35. A minority view was that the duty to cooperate was the only game in town and that reflecting something closer to a ‘business as usual’ view, development could be made to work pretty much whatever the planning system.

36. Non local authority stakeholders were particularly sceptical of the capacity of inspectors taking one-off decisions on core strategies to rule on or enforce the adequacy of the duty to cooperate.

Role of the Local Enterprise Partnership

37. The West of England LEP was amongst the first wave to be established and was perceived to have established its profile and credentials with considerable success both locally and nationally. It was seen as building on a positive history of partnership working locally including over the RSS and the West of England Partnership which prepared the ground, whilst bringing business interests more centre stage with a stronger emphasis, therefore on economic issues.

38. The LEP was seen as a focus for advocacy and aspiration. At the same time, it was thought to lack the power or resources to drive forward city-regional strategy. It lacked the strategic scope of the RDA. More specifically it was observed variously that it lacked any formal role in the planning system and, as such, had seemed reluctant to seek to influence this arena. It was thought that any such move was likely to be strongly resisted on the part of the local authorities. The minimal involvement of the LEP in the core strategy process so far was noted.

Infrastructure provision

39. Much of the debate had focused on housing numbers, this being reflected in the views of stakeholders. There were particular concerns, however, around infrastructure provision, transport in particular but also schools, community provision and other issues. Local authority and development sector stakeholders alike saw the need to ensure that future infrastructure needs are met. The local authorities saw this largely in terms of effective cooperation locally, also pointing to collaboration over rail electrification for example. Others were more sceptical that this would deliver in the absence of the RSS and saw
the need for a broader regional, strategic perspective, arguing that an element of cohesion had been lost.

40. There was a view that levels of infrastructure provision required by RSS targets had been unachievable making the growth targets themselves unrealistic. At the same time, the reduction in housing numbers now made it harder to argue for significant investment going forwards – investment needed in part to address current deficiencies.

41. More optimistically, collaboration in support of the recent success in securing funding for transport infrastructure was acknowledged by different stakeholders, with the LEP building on a longer history of collaborative effort. This, it was thought might pave the way for future dialogue and counter tendencies towards local retrenchment.

42. There were particular concerns about investment needed to kick start delivery of infrastructure once the market recovers. The private sector was likely to be cautious, the public sector less willing to cover upfront costs and new funding mechanisms as yet unproven.

The future of the West of England as growth region

43. The West of England has had a history of prosperity and growth and was identified by the RSS as a focus for continued economic growth. The newly established LEP subsequently set a challenging target of 95,000 new jobs by 2030 and GVA at 3.4% pa by 2020. Nationally, the new Coalition Government itself stated its commitment to planning reform that would incentivise and support economic growth. The West of England thus represents a pertinent test particularly of the possible economic impact of RSS abolition and of the emerging national framework.

Local authority perspectives

44. All four local authorities significantly reduced planned housing numbers in their draft Core Strategies compared to those in the draft RSS – down by 35 thousand compared to the final ‘Proposed Changes’ (10,500 compared with the initial draft RSS). All four supported the view that given the recession and the slump in the housing market, these reduced targets were consistent with future needs and would not in themselves represent any brake on future economic growth.

45. Their aim was also explicitly to remove pressures for large scale, green-field development or review of the greenbelt in areas including major urban extensions identified in the RSS where they were now no longer needed to meet future targets, and to focus instead on local priorities. Political expediency was an acknowledged factor, given opposition in local communities to the threat of such development. But members had increasingly focused on the technical aspects of growth forecasts and implied future housing need.

46. There was opposition to the planned provision of housing which would support in-migration on a local or wider geographical scale and which would encourage out-commuting to neighbouring areas. The fact that Bristol’s reduced level of provision was
found early on to be 'sound' without reference to the need to accommodate growth beyond its immediate borders reinforced this view.

**Development sector and other stakeholders**

47. On the other hand, whilst acknowledging the immediate economic context, other stakeholders questioned the extent to which the recession justified the scale of reduction in housing numbers, particularly given historic under-prediction of household growth and under provision in planning terms.

48. Short-term planning, even with periodic review on say a five yearly basis, did not give the degree of certainty to encourage investment – a succession of 5 year plans was not the same as a 10 or 15 year horizon, and localism it was argued, equated to short-termism. Significant developments had already stalled. And whilst much of the focus has been on housing numbers, problems were identified as well with the potential failure to provide for employment land in the longer term – significant provision historically had been a key factor in past economic performance.

49. Private sector and former regional body stakeholders saw under-provision of housing numbers, employment land and infrastructure coupled with the levels of uncertainty and short-termism as a potentially serious threat to future economic growth, jobs and employment, housing affordability and availability (including low cost housing).

50. This in part reflected the fact that these stakeholders typically thought in terms of the functional economic city-region as a whole and had a model of growth driven in part, at least historically, by immigration of skilled labour from elsewhere in the country. This contrasted with local authority stakeholders (elected members in particular) who saw the aim as responding to local needs or local jobs growth – and in some cases saw immigration as more of a threat than an opportunity, and therefore as a process to be discouraged.

51. A more pragmatic view expressed by a minority of both local authority and private sector stakeholders was that given the right political will, and if the government followed through on its proposals, then the system would still deliver the right levels of development in terms of housing or economic development, albeit not necessarily by the same route.

**Larger-than-local level planning**

52. Abolition of RSS and the draft National Planning Policy Framework effectively stripped out a longstanding commitment to a strategic or intermediate level to the national planning system, RSS having replaced county-level structure plans which had existed since 1968. This in effect leaves nothing between local Core Strategies and the Secretary of State.

53. There were strong views and a range of perspectives on the need for some sort of strategic, larger than local authority framework within the overall planning architecture. Some within local authorities, members more so than officers, were clear in their support for abolition, and saw the potential for local determinism once Core Strategies were
established. Local cooperation was seen as as providing the right basis for any more strategic perspective that might be needed.

54. Elected members frequently observed that their support comes from their local area and the views of local constituents are therefore the priority. A number of officers, whilst acknowledging the political realities, felt from a professional planning perspective concerned at the lack of any strategic component to the new planning system.

55. Development stakeholders and those from former regional bodies and national organisations were close to unanimous on the need for some form of larger-than-local, strategic framework – ‘appalled’ and ‘aghast’ were two views on the new system. Locally-driven planning, it was argued, would inevitably be short-term, opposed to significant development in the local area, lack any more strategic focus on the West of England as a whole and deliver lower levels of growth in the future.

56. There were clearly different perspectives on the meaning of ‘strategic’. Local authority stakeholders typically saw ‘strategic’ issues in terms of cross-boundary collaboration. Development stakeholders and others typically saw strategic issues more broadly, focusing on the functional city-region as a whole and also the need to address a wider regional and national agenda around growth, sustainability, infrastructure provision and other issues, rather than simply cross-boundary issues.

57. There was less clarity from proponents of a strategic framework as to what this might consist of. There was little enthusiasm for a return to the RSS which even amongst those who had supported it at the time was perceived as too complex, lacking in focus and addressing too diverse a set of issues across the region as a whole.

58. There was significant support for city-region level structures including a single-tier authority or boundary extension expanding Bristol to encompass the existing built-up area and beyond – anathema to local elected members. Others referred to more effective models of local collaboration citing the Cambridge city-region or the Association of Greater Manchester Authorities (AGMA) as aspirational models.

59. Local authority stakeholders saw the ‘duty to co-operate’ as the basis for future city-region-wide thinking, with one national body representative suggesting that further guidance probably coupled with secondary legislation and more effective measures to ensure compliance might strengthen its impact in practical terms.

Questions and issues

60. The summary above is intended to provide an overview of the main views expressed by the stakeholders interviewed in the course of the research. This final section draws together a number of questions and issues which we see as emerging from the findings as a whole.

Core strategies

61. The ‘presumption in favour of sustainable development’ proved highly controversial when first published in the draft NPPF being widely portrayed as a ‘developers’ charter’. The
framework had made clear, however, that the system would be ‘plan-led’. The question remains, therefore, whether sound local plans will in practice provide a secure basis for locally determined levels and locations of development as maintained in the NPPF? Evidence from the West of England, including early decisions on core strategies, suggests that this will be the case with little suggestion of significant challenge to the system or a developer free-for-all.

Duty to co-operate

62. The ‘duty to cooperate’ now provides the only statutory basis to address ‘strategic planning priorities’ for planning at wider than unitary authority level. Will this prove adequate in practical terms as the basis for ‘strategic’ planning as the local authorities have generally claimed or will there in practice be a vacuum at the heart of the planning system as suggested by the House of Commons Committee Report? What might be needed to ensure that local authorities engage as required under the Localism Act 2011, ‘constructively, actively and on an ongoing basis’? Is there a danger that evidence of cooperation will focus on process rather than outcomes? What follow-up evaluation of the duty is there once inspectors have declared that plans are sound? Will the duty to cooperate simply involve cross-boundary collaboration? What about engagement across sectors – with the business and voluntary sectors - as well as across local authority boundaries?

Strategic planning and localism

63. This also begs the question of whether ‘strategic planning’ is simply the sum of the local parts, cross-boundary collaboration done well, or more than this? Will anyone be taking a wider city-region or broader-based view? How might the emerging planning system deliver effectively on larger than local issues? Can ‘local’ and ‘strategic’ issues be combined in the same level of governance?

64. A key question as well is can localism do long-termism, or is localism inevitably also short-termism as some have claimed? A pattern of short-term planning horizons with provision for review is emerging from the Core Strategy process. Can this be effective or will it, as others have argued, undermine certainty and deter investment? How important is a longer term view to planning successfully?

Housing

65. On housing numbers, the recession has clearly had a short-term impact at least on future demand and the need for provision. The question is whether the pace of development will run up against constraints once the economy and labour market start to pick up? Or will investment and infrastructure provision in fact be deterred by the lack of certainty and long-term planning?

66. The four local authorities have argued that reductions in planned housing numbers are consistent with economic circumstances. Are they, however, committed to expanding provision in line with market recovery or is their aim to contain future levels of development per se in line with the wishes of local communities? Does localism in the West of England signal the intention of reducing future levels of housing development?
Evidence points to the likelihood that levels of housing provision will be lower than they would have been otherwise, discounting the effects of recession.

67. The government has maintained that their proposals would stimulate housing development within a framework of local decision-making. The New Homes Bonus and Community Infrastructure Levy have been portrayed as effective fiscal incentives to communities to generate support for and to facilitate housing growth. Will this happen in practice? Or will councils and communities in more affluent areas be willing to forgo the inducements on offer?

Employment land and other issues

68. Headline concerns have focused on housing numbers. But can the new system provide the long-term supply of employment land argued by some as necessary to ensure future economic growth? And can localism deliver on a range of the more controversial and cross-boundary issues including gypsy and traveller sites, minerals, waste, water, renewable energy, climate change and transport?

Evidence

69. Government has emphasised that the new planning framework remains evidence-based and plan-led. Future debate over planned housing numbers, review of core strategies and other issues will clearly turn on the evidence presented. The evidence base itself, sources, definitions and analysis, is however increasingly fragmented and potentially contested by different stakeholders. Is there a danger of an evidence vacuum, a lack of consistent and reliable, transparent evidence?

Local Enterprise Partnerships

70. The West of England LEP has set out aspirational targets for economic growth and whilst the local authorities are central to the LEP, it has had little pro-active, overt involvement in the emerging planning framework in the city-region post-RSS. This raises the question to what extent is the emerging planning framework and its implications for the trajectory of the city-region consistent with the objectives of the LEP? There have been suggestions from some quarters that LEPs might play a more active role. Is there any potential and/or appetite for this in the West of England?

Alternative planning structures

71. Many stakeholders argued strongly in favour of an intermediate, strategic component within the overall planning framework and were highly sceptical of the duty to cooperate as an effective basis for larger-than-local planning policy. There was little clarity or consensus however as to what form this might take. Theoretical possibilities are in practice highly constrained by political considerations both local and national. The onus is nevertheless on those sceptical of current arrangements to explore the alternatives. What might an alternative solution look like? Are there examples from elsewhere of what might work? And what might be appropriate in the specific context of the West of England?