

**ABOLITION OF  
REGIONAL SPATIAL  
STRATEGIES:  
A Planning Vacuum**

**DLP BRIEFING NOTE 49**

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April 2011





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## BRIEFING NOTE – ABOLITION OF REGIONAL SPATIAL STRATEGIES: A PLANNING VACUUM

Following the announcement in the summer of 2010 by the Secretary of State for the Environment that Regional Spatial Strategies were being revoked, with the intention to abolish them, the House of Commons *Communities and Local Government Committee*, launched an inquiry into the implications of the proposed abolition on the planning system. It is worthy of note, given other government statements and the recent focus for the budget on growth (See *Briefing No. 47*) that the terms of reference for the Committee were:-

***‘the implications of the abolition of regional house building targets for levels of housing development; the likely effectiveness of the Government’s plan to encourage local communities to accept new housing development by the use of financial incentives; and the levels of the incentives that will be needed to ensure an adequate long term supply of housing.’***

The Committee, also notably in the light of the post budget statements, **considered what arrangements should be put in place to ensure co-operation between local authorities on other matters formerly dealt with by RSS**, such as minerals and waste, renewable energy, transportation and infrastructure. The Committee’s Hearing(s) considered both oral and written evidence from a wide range of stakeholders and interest groups and their findings were published on the 17<sup>th</sup> March 2011. This ***Briefing*** summarises the main findings of the Inquiry together with the recommendations made by the committee.

### **(i) Benefits of Regional Spatial Strategies**

The evidence on this before the Hearing was mixed, regarding the benefits of RSS’s. Much of the opposition was in relation to the length and complexity of their preparation, the difficulty in influencing their outcomes and the housing targets themselves and their sources. However, the Hearing also found that **the RSSs were beneficial in providing a strategic view of planning, particularly in relation to development that would be unpopular at a local level**, such as waste. There was also agreement that they were able to secure positive benefits at a strategic level for environmental issues. It was considered therefore, important, for the Government to ensure that the positive benefits of RSSs were retained in any new planning framework.

The attempts of the Government to revoke RSS’s and the ensuing challenges in the courts by *Gala Homes*, have resulted in uncertainty in the development world and a hiatus in the planning system with resultant delays in both the preparation of plans by local planning authorities and in bringing forward development proposals. This is a matter of great concern since uncertainty is a clear barrier to future investment, and was identified in budget and post budget statements as an issue that the government was looking to address.

The outcome of the decisions in the Courts regarding the weight to be given to RSS’s, has in the view of the Commons Committee, provided an opportunity for the Government to put in place appropriate transitional arrangements prior to the abolition of RSS’s, and these should be clarified in the *Localism Bill*. The Committee emphasised the need for the Government to issue guidance that was compliant with the existing law, in order to assist local planning authorities and others on how important strategic planning matters previously covered by RSSs should be addressed.

From both written and oral responses at the Hearing it is evident that there is a need for an effective tier of planning between national and local levels. The Committee recommended therefore that:

*‘..the Government include effective strategic planning arrangements in the Localism Bill, and that it work with all sectors to devise and promulgate an agreed approach to larger-than-local planning across a number of authorities. The Government needs to ensure a biting obligation on local authorities to have regard to the evidence and meet identified needs. This obligation should be specified in national policy and in particular, the tests of soundness for local development frameworks. In each case, national policy should highlight the objective, the data sources or assessment mechanisms used to identify the need, and the mechanism for ensuring that each local planning authority makes an appropriate contribution to meeting the need identified. The Planning Inspectorate should implement these requirements to ensure a consistent basis for assessing plans brought forward at a local level.’*

The current position, in law, is that **RSS’s still form part of the *development plan*** and must be taken into account, but the intention of the Government to abolish them is also a material consideration. The weight given to this in practice, rests with the decision maker, and recent appeals have shown a divergence of views emerging.. However, what is also clear is that in reaching decisions Inspectors are placing great weight on the soundness of the evidence base employed and in particular whether that is up to date or not.

In very recent appeals in relation to residential development at Church Fields, Boston Spa, Leeds the Inspector considered it appropriate to give weight to housing figures contained in the RSS, because these were the most credible before him. However these were underpinned by work undertaken by the appellants on the most recent household projections, which pointed to household increases substantially above the RSS figure, such that this was the agreed base for the requirement.

The need for planning decisions to be supported by a credible evidence base was given further weight by the most recent appeal decision (by the Secretary of State) who supported an Inspector’s decision and dismissed a proposal for residential development at Wesham, Fylde. The Secretary of State there, was of the view that notwithstanding the fact that the RSS was part of the development plan, the uncertainties with regard to population growth and distribution (by ref to the date of the information) were such that these needed to be settled in a statutory planning context, and such factors were material considerations in their own right. In this instance, the appellant **had not undertaken any further work to interrogate the most up to date household projections and therefore there was no up to date evidence base against which the Inspector could judge the figures set out in the RSS.**

#### **(ii) Duty to Co-operate**

The Government’s solution to the perceived gap between national and local levels of planning has been to urge local authorities and organisations involved in planning to co-operate with each other, and to have regard to broader considerations. This is backed by a new statutory ‘**duty to co-operate**’ on local authorities, public bodies involved in plan making and on private bodies that are critical to plan making such as infrastructure providers.

The Commons Committee welcomed the Government’s acknowledgement that the ‘**duty to co-operate**’ needed to be strengthened; however the test of this duty will only become evident in the future where local authorities do not co-operate.

However, as reported in our Briefing Note on Localism (No. 24 – June 2010), one of the initial consequences of the Government's resolve to revoke the Regional Spatial Strategies was the stalling of further work on the Stevenage Borough Council Core Strategy, which was reliant on co-operative working with North Hertfordshire District Council, who formally resolved to '*...cease until there is greater clarity on future numbers of new houses and jobs*'.

### **(iii) Local Enterprise Partnerships**

Local Enterprise Partnerships (LEPs), partnerships between local authorities and businesses, based on economic regions, were originally assumed to be **potential vehicles for delivering larger-than-local planning**; the views of many of the contributors to the Hearings seemed to be sceptical about whether they were the appropriate means of securing effective strategic planning. To be clear, the Government has not advocated giving LEP's any planning powers, and their main purpose is 'enterprise' rather than as a vehicle for strategic planning.

### **(iv) Housing Targets**

One of the primary drivers for the abolition of the RSSs is the view of the Government that the top down housing targets imposed on local planning authorities through regional plans and RSS were at odds with the Government's approach based on principles of **localism**. In our previous Briefing Note on the Localism Bill (No. 38) we advised that Ministers considered that the new system would address the inadequacies of RSS by providing communities with more responsibility for meeting development needs encouraging the use of **Neighbourhood Development Orders and Plans**, and utilising initiatives such as the **New Homes Bonus**. However, the conclusions of the Hearings recognise an inherent tension between the need to build more homes and the Government's desire to promote localism in decisions of this kind. The Hearing reported that no evidence had been forthcoming that local authorities would be able to achieve comparable rates of house building to those in the past, let alone an increase. The Committee were of the view that the Government **report back to the House in two years' time on the extent to which the measures it is taking are achieving the aim of increasing the rates of building of both affordable and market homes**.

### **(v) New Homes Bonus**

One of the initiatives for securing increased levels of house building that has been implemented by the Government is the **New Homes Bonus**, which DLP reviewed in Briefing Note No. 44 in March 2011. This is a financial incentive based on a grant for each additional dwelling constructed, linked to the national average of the Council Tax Band. However, although the final scheme design document has been published by the Government, the Committee was keen to see the Bonus explicitly linked to homes provided for in local plans, following robust assessments of housing need both in terms of market and affordable housing.

The concerns raised with regard to the New Homes Bonus, and whether it would deliver the right amount of housing in the right places, having regard to robust evidence, feeds into more general comments made by the Committee on the requirement for a consistent evidence base across all local authorities, to ensure that planning decisions are '*soundly based*'. The Committee raised concerns about whether or not local planning authorities are sufficiently resourced and skilled to take on the full responsibility of providing a robust and consistent evidence base to support local development plans. Pressures in relation to such issues are only likely to become more acute as local authority budgets are squeezed in the near future.

## **Conclusions and Recommendations**

Regional Spatial Strategies have since their inception engendered mixed feelings, with both support and criticism. In the main, the criticism has been centred on the hierarchical and bureaucratic nature of the RSSs, with unnecessary targets being imposed by central government. However, many see them as a beneficial way to deliver strategic planning, particularly in relation to more controversial issues such as waste disposal, mineral workings, energy projects and controversial accommodation, not to mention the scale and extent of housing delivery.

The Inquiry concluded that they are concerned with not only the speed at which Government has sought to abolish RSSs, but also the apparent lack of understanding by the Government of what RSSs provide and what should replace them. The Committee highlighted the need for the Government to provide formal transitional arrangements and these should be clarified in the Localism Bill to ensure that once the bill becomes law the planning system will be able to guide development until the new arrangements are up and running.

Although the Government has pushed ahead with its plans to introduce the New Homes Bonus in order to facilitate increased levels of house building, the Committee considered that there was no evidence to suggest that this will be effective or that it will provide the right homes in the right places. The Committee welcomed the Government's aspirations to increase the levels of house building; however, they question whether this is achievable under the current proposals for the planning system, this notwithstanding the budget announcements, and have suggested that the Government report back to them in two years time on the progress of this particular matter.

Although the Committee supported the concept of LEP's they were of the view that these were not a suitable vehicle for strategic planning. The committee therefore recommended that the Government ensure that there is a robust mechanism in place to ensure that each local authority plays its part in meeting wider housing need. **This will need to be underpinned by a robust and consistent evidence base to support local development plans**, a matter reinforced by appeal decisions and an issue that the development industry needs to recognise when making planning applications or defending appeals. The responsibility for ensuring this is forthcoming should be undertaken in partnership with central government and not left to under-resourced and under-skilled local planning authorities.

### **Preparation of Evidence Base – How DLP can assist**

DLP's recent experience at appeal and at Core Strategy Examination reflects the findings of the Secretary of State in the Fylde decision referred to above, that it is necessary for those promoting development to provide clear up to date evidence relating to the overall level of housing demand and need within a district together with evidence regarding the appropriate distribution of the proven level of housing requirement.

DLP has considerable experience of district and sub district analysis of housing demand and need which coupled with our analysis of employment changes and commuting patterns can provide a strong evidential base for the promotion of residential and employment sites both via the appeal system or emerging Local Development Framework.

If you consider that DLP Planning could be of assistance in supporting your development proposals in this respect, we would be happy to discuss this further with you. .

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