

Sub-Matter 2B

Statement on behalf of West Midlands Planning & Transportation Sub-Committee

(i) The spatial strategy approach

Is the approach of maintaining the direction of the existing strategy soundly based and robust against current and changing circumstances? Will it deliver the spatial development the region needs in a sustainable way?

1. Maintaining the direction of the existing strategy is crucial and indeed to deviate from this would be contrary to the agreed Project Plan (CD34). This stated that:

The Revisions to the RSS are phased and will lead to further development of policies to support the underlying strategy – not a review of fundamental principles (page 9).

2. In publishing the adopted RSS in 2004, the Minister, Keith Hill, stated that *'the spatial strategy is now defined'* (CD221).
3. The established urban renaissance principles seek to turn around some 50 years of unsustainable trends, in part caused by planned intervention. The adopted RSS effectively called a halt to this approach and local authorities were beginning to implement policies and programmes in advance of its formal publication in 2004. Our background paper, ***Urban Renaissance in the West Midlands: Origins, Progress and Future Prospects*** (core document to be added to the library) demonstrates progress made towards achieving an urban renaissance and sets out the dangers of not *maintaining the direction of the current strategy*, particularly in the current economic climate as risks are exacerbated.
4. In summary, indicators that the current urban renaissance strategy is being successfully implemented are as follows, detailed graphs are included in the above background paper:
 - Population growth in the MUAs over the last decade following two decades of decline
 - More than a doubling of net dwelling completions in the MUA between 2001 and 2006
 - Substantial reuse use of previously developed land for housing and considerable modernisation and renewal of poor quality housing stock

- Securing of further Government funding to support the two housing renewal pathfinder areas in North Staffordshire and Birmingham / Sandwell to tackle housing market weakness
 - The completion of major private sector funded commercial developments such as the Bullring in Birmingham and Touchwood in Solihull
 - Strong growth in service sector employment to counter the loss of manufacturing jobs although there is a need to increase the overall level of jobs in the MUAs, especially in the higher value added sectors.
5. To change the direction of the current strategy would seriously undermine progress made to date.

What is the evidence for the view that movement of people out of the Major Urban Areas (MUA) has been caused by the availability of development outside them?

6. This relationship was firmly acknowledged by the Secretary of State when publishing the adopted RSS in 2004:

An important factor in the trend of decentralisation from the MUAs has been the availability of development land in the settlements close to them. This has contributed to the loss of investment, abandonment and environmental degradation from the MUAs and increased environmental and environmental pressure in other parts of the Region. The dispersal of population and activities under-uses the social and physical resources of the MUAs and contributes to unsustainable development patterns that lead people to make more and longer journeys , more often than not by the private car (para 3.2).

7. Net out migration from the Metropolitan area according to National Health Service Central register data is currently running at approximately 10,000 people per annum. Over the 20 year RSS period, this (200,000 people) is equivalent to approximately 8% of the Metropolitan Area's current population, or the population of a borough the size of Solihull.
8. Given that this fundamental principle is now being questioned, detailed analysis entitled *The Relationship Between Housing Completions and Migration from the Metropolitan Area in the West Midlands* (CD246), has been undertaken on behalf of WMRA, this has been submitted to the document library.
9. This document concludes that:
- Net out migration on this scale is an unsustainable trend and a failure to make policy interventions would be contrary to the overarching principles of PPS1 and PPG13 which seek sustainable patterns of

development, social cohesion, tackling climate change, promoting accessibility to goods and services and reducing the need to travel.

- More specific concerns are as follows:
 - Potential Greenfield land take and forgone Brownfield opportunities within the Metropolitan Area leading to a more dispersed settlement pattern and increased journey distances
 - The socially selective nature of out migration leading to social exclusion amongst remaining residents as services become less viable
 - Weakening the economic base of the Metropolitan Area as the more economically active are more likely to move
 - Discouraging mixed and balanced communities as families are more likely to move
 - Out migration of wealthier Metropolitan residents puts increased pressure on housing stocks in adjoining authorities thus making it more difficult to meet indigenous needs.
- Since 2001, there have been encouraging signs in terms of the rate of out migration from the Metropolitan Area slowing down; this coincides with a closing of the differential between net Metropolitan completions relative to those in adjoining authorities.
- These signs are positive but it is still early days given the relative infancy of the policy. It is suggested that this is indicative of the policy beginning to take effect in that those moving are choosing to remain in the Metropolitan area or move back to it. To deviate from it through premature release of land elsewhere is considered to be a high risk and this is explored further in the WMRA Risk Assessment (CD22).
- Specific case studies South Staffordshire and analysis of Census data relating to the Meriden Gap demonstrate a link between housing completions facilitating out migration from the MUAs.

Is the strategy justified in making adjustments (e.g. paragraph 3.3) to provide for some development in the surrounding Shires to meet needs which cannot be met within the MUA? What implications does this have for the urban renaissance strategy? Should the spatial strategy go further in providing for development outside the MUA?

10. Para 3.3 makes it clear that these adjustments have been made in a manner consistent with urban renaissance principles. Furthermore, Policy CF4 sets out an approach to phasing which promotes the accelerated delivery of housing development within the MUAs.

11. Attention is drawn to the fact that those local authority districts that attract out migrants from the Metropolitan Area (for example, South Staffordshire, Wyre Forest, Cannock Chase, Stratford upon Avon, Bromsgrove) have moderate levels of growth relative to the trend based revised 2004 based household projections that provided the context for the development of the Preferred Option. This implies that it is consistent with urban renaissance principles.

What grounds are there for supposing that more development outside MUAs would increase output overall and not just divert resources and activity away from the MUAs?

12. The Preferred Option is not a 'growth at all costs' strategy. An underlying principle is to direct growth to areas of need and to where opportunities arise. The Urban Regeneration Zones (Policy PA2) are a key tool for achieving this. The Panel firmly commended this approach in its 2002 Report (CD55 paras 2.13 and 2.14) and to deviate from this would be beyond the scope of the Phase Two Revision.
13. The Arup Housing and Economy Study (451/2) concludes that the level and distribution of additional housing in the Preferred Option is sufficient to meet the output gap identified in the RES.
14. Moreover, maximising economic output, as measured by Gross Value Added (GVA), is not the only measure of economic well being. It does not fully take into account the social and financial cost of unemployment in terms of transfer benefit payments and the impact on communities.

(ii) Spatial strategy objectives

Do the Spatial Strategy Objectives in 3.9 remain appropriate and is the proposed change to provide for Green Belt adjustments to allow for the most sustainable form of development justified?

15. The spatial strategy objectives need to be read in conjunction with other more specific policies and guidance in the document. Unanticipated large scale Green Belt adjustment is not a universal policy option and can only be justified in exceptional circumstances / specific locations (para 3.10e and the new sub regional sections in Chapter Three). It is not a 'one size fits all' approach.

Should any other changes to the objectives be considered, for example to address more explicitly meeting the region's housing needs or dealing with mitigation and adaptation to climate change?

16. There is no case for fundamentally changing the objectives as the broad strategic principles are not being questioned. The requirement to meet housing need and demand in appropriate locations is implicit in many of the objectives and Chapter 6 Communities for the Future has been framed specifically to address this.

Does the strategy give clear and sufficient guidance on the role and extent of green belt in the region, and criteria for any boundary adjustments or reviews?

17. The 2002 Panel Report (CD55) made it very clear that a fundamental review of Green Belt boundaries (other than in the possible case of Coventry), was counter to the principles of urban renaissance. The Panel and other participants attention is drawn in particular to paragraphs 2.1.24, 2.1.34, 2.1.35 and R2.2 of that document.
18. We are not aware of any robust evidence which justifies deviating from the position, set out in the Preferred Option. Moreover, guidance on the purposes of Green Belt designation is enshrined in paragraph 1.5 of PPG2 Green Belt (CD85). In our opinion, respondents advocating a different approach to that contained in the Preferred Option have not justified it in a manner consistent with this national guidance. The NLP report (CD178), for example, appears to seek Green Belt adjustments on the basis of past trend based household projections. We consider the shortcomings of these as a basis for allocating land in response to matter 3A.

(iii) Regional and sub-regional implications of the spatial strategy

Does the strategy give sufficient guidance on both housing and economic development and will it provide for consistency between the RSS and RES?

19. The Preferred Option was prepared in conjunction with the revised Regional Economic Strategy (RES) (CD124); the RES reflects the spatial focus of the RSS by focussing investment in the MUAs, in areas accessible to the MUAs, or where there will be spin off benefits.
20. Moreover, in the Preferred Option the employment land requirements in Policy PA6A have been developed in a manner consistent with the overall principle of matching need with opportunity by improving the relative employment land offer in the MUAs. As documented in our Urban Renaissance background paper, employment growth in the MUAs is not matching housing and population growth; the Preferred Option seeks to redress this balance.

Is the strategy clear about the respective roles of MUAs and Settlements of Significant Development (SSD)? What is the basis for the selection of those settlements designated as SSD?

21. It is understood that the basis of selecting SSDs is set out in Policy CF2A (i). Paragraph 6.19 also makes it explicit that housing beyond the MUAs must not undermine urban renaissance; in this context Policy CF4 relating to phasing is crucial. Moreover, it is firmly our view that housing requirements outside the MUA should be reflected as maxima, whilst remaining as minima within the MUA themselves. This is addressed further in our response to Matter 3B

What role might eco towns or new settlement proposals have in providing for development in the region? How would such settlements contribute to the spatial strategy objectives?

22. It is not clear how such proposals align with other regional policy objectives, in particular supporting urban renaissance, given the likely size of settlement required to achieve 'critical mass,' their potential to displace development elsewhere and their requirement for the use of scarce public resources (CD229 and CBRE report, Middle Quanton Ecotown Proposals: Independent Viability Assessment February 2009 (to be submitted to the library by Stratford DC)). Furthermore, any proposals should have been brought forward earlier for prior testing rather than being introduced at this juncture.

Will the strategy achieve a realistic balance between MUAs, SSDs and other settlements, and allow all parts of the region to meet their development needs sustainability?

23. Yes, subject to the comments we have made in this response and elsewhere.

Does the strategy, either in Chapter 3 or in revisions to the "RR" policies in Chapter 5, need to give more policy guidance on development in rural areas and smaller settlements, in order to meet the challenge of Rural Renaissance?

24. No comment.

(iv) **Role and status of the Spatial Strategy**

Is the status of the Spatial Strategy and the sub regional text in Chapter 3 clear? Should any part of it be distinguished as Policy?

25. The Phase One Revision introduced a specific Black Country Regeneration Priorities policy (UR1a). There is support from Metropolitan authorities to elevate the spatial guidance components of the text in Chapter 3 to policy status.

Do aspects of the spatial strategy diagram need amendment or clarification, such as the classification of "other large settlements"?

26. Not unless there is a specific policy relating to them.

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