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The South East Plan - Will it deliver sustainable development?

The South East Plan has been approved by the Secretary of State in May 2009. The South East Plan is the Regional Spatial Strategy for the South East region of England for the years of 2006 - 2026.

Relevance to developers, occupiers and investors

The South East Plan:

- Is the spatial plan for the development of the region, and provides the planning and transport policy framework for employment, housing, and the environment.
- Is the most update development plan controlling development in the south east of England. Consequently, future development proposals will have accord with the policies of the south east plan, unless there are "other material considerations" that outweigh the policies of the South East Plan.
- The plan's strategic policies have to be incorporated into "Core Strategy" and "Site Allocation" and other Development Plan Documents currently being prepared by the respective Local Planning Authorities in the South East.
- By July 2009 the demise of all of the old style "County Structure Plan" in region; the Structure Plan previously gave the strategic policies relating to the County (and which the respective Local Planning Authorities had to comply with in their District or Borough wide local plans - now themselves being replaced by core strategies and other development plan documents).

What does it say?

The appendix to this bulletin highlights the key planning policies that the plan sets out for the future development of land and buildings in the south east.

However, in summary, the plan seeks to deliver sustainable development in the region by:

- Focussing economic and housing development into the identified growth areas - such as the Kent component of the Thames Gateway and at Milton Keynes/Aylesbury.
- As a complementary measure, focussing housing and economic growth within identified regional hubs - such as Ashford, Ebbsfleet, Reading, Portsmouth and Southampton.
- Identification of a hierarchy of town centres within the region where according to their status within that hierarchy, town centre uses are to developed to meet identified need. At the top of the hierarchy are 22 "Centres of significant change" - such as Chatham, Guilford, Reigate/Redhill, Southampton, Oxford, where major town centre uses are to be focussed.
- A housing requirement for 32,700 houses to be completed in the region between 2006 to 2026, of which across the region 35% should be affordable housing.
- To accommodate the projected levels of growth green belt boundaries will need to be reviewed - for example, south of Oxford and to the north east of Guildford and south of Woking and also in the Reigate/Redhill area.
- The strengthening of policies aimed at reducing carbon dioxide emissions and development of green energy.

Assessment

The Government considers that the South East Plan is key to delivering its sustainable communities and growth agenda in the region. The strategic policies are now binding upon the respective Local Planning Authorities who will now have to ensure that planning applications and their core strategy and other development plan documents - such as the identification of housing sites in their strategic housing land availability assessments - are in accordance with the regional plan's policies.

The problem is though one of delivery and political acceptance of the plan by the respective Local Planning Authorities.

In terms of delivery, the plan's policies were formulated against the then background of continuous economic growth and rising land and property values. The situation on the adoption of the plan in May 2009 is the complete reverse - the recession has wiped out between a third to half of the value of land and buildings and the lack of development finance has brought new economic and housing development by the private sector to a virtual halt.

In the meantime the plan's policies have more onerous requirement for the private sector to deliver infrastructure, green buildings and the other sustainable measures - including the delivery of affordable housing. The result is that development is increasingly becoming unviable and until values start to rise the private sector alone cannot implement the plan's vision.

Consequently, new funding mechanisms, partnerships with the private and public sectors and a review of section 106 agreements made on previous - and yet now unviable schemes - will have to take place.

However, with the Government's increasing pressures on public finances, it is difficult to see how the spatial vision for the region - including the regeneration of the Thames Gateway and other growth areas, and the delivery of the needed houses throughout the region will actually take place during the foreseeable future.

For example, the South East Development Agency (SEEDA) in the spring of 2009 had a £47 million budget cut and, as a consequence, some of the physical regeneration projects will either have to be cut back or be on hold as a result.

In the meantime, there has to be the political will to deliver plan's policies onto the individual Local Planning Authorities across the region. This issue is exemplified by the imposed housing figures upon respective districts and boroughs.

This "top down" approach is likely to cause major conflict as local councillors and politicians resist the scale of development imposed by the plan upon their local areas - especially where there is a growing threat to the countryside and perceived over development.

For example, in 2009 the following statement was issued by Nicholas Soames MP for Mid Sussex:

"These top down Whitehall building targets announced on Wednesday 6th May, will lead to a sharp decline in the quality of life across Mid Sussex; extra congestion, higher carbon emissions and quite possibly more flooding.

These plans lack any provision for proper infrastructure or environmental sustainability in the huge housing targets they set rural Mid Sussex.

Conservatives will scrap the South East Plan, and let local communities decide the right level of development. Given a general election will be held within the next 12 months, councils would be wise to go slow on adopting the controversial provisions in this South East Plan. It is not in taxpayers' interests for town halls to spend time and money on implementing Labour policies that could be scrapped within a year."

Mid Sussex District Council is now considering if there are grounds to challenge the South East Plan.

In a similar manner South Oxfordshire District Council is also considering whether to judicially review the South East Plan on the grounds that the government did not sufficiently listen its objections to the plans sought for 4000 home extensions in the Oxford Green Belt.

Consequently, only time will tell if the plan will be upheld and therefore have a longer shelf life than the time it took to be prepared - especially if there is a change of Government which has already said that it will abolish all - if not all - the majority of the regional plans and regional development agencies.

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Appendix: The South East Plan - summary of major measures

Scale and distribution of new development

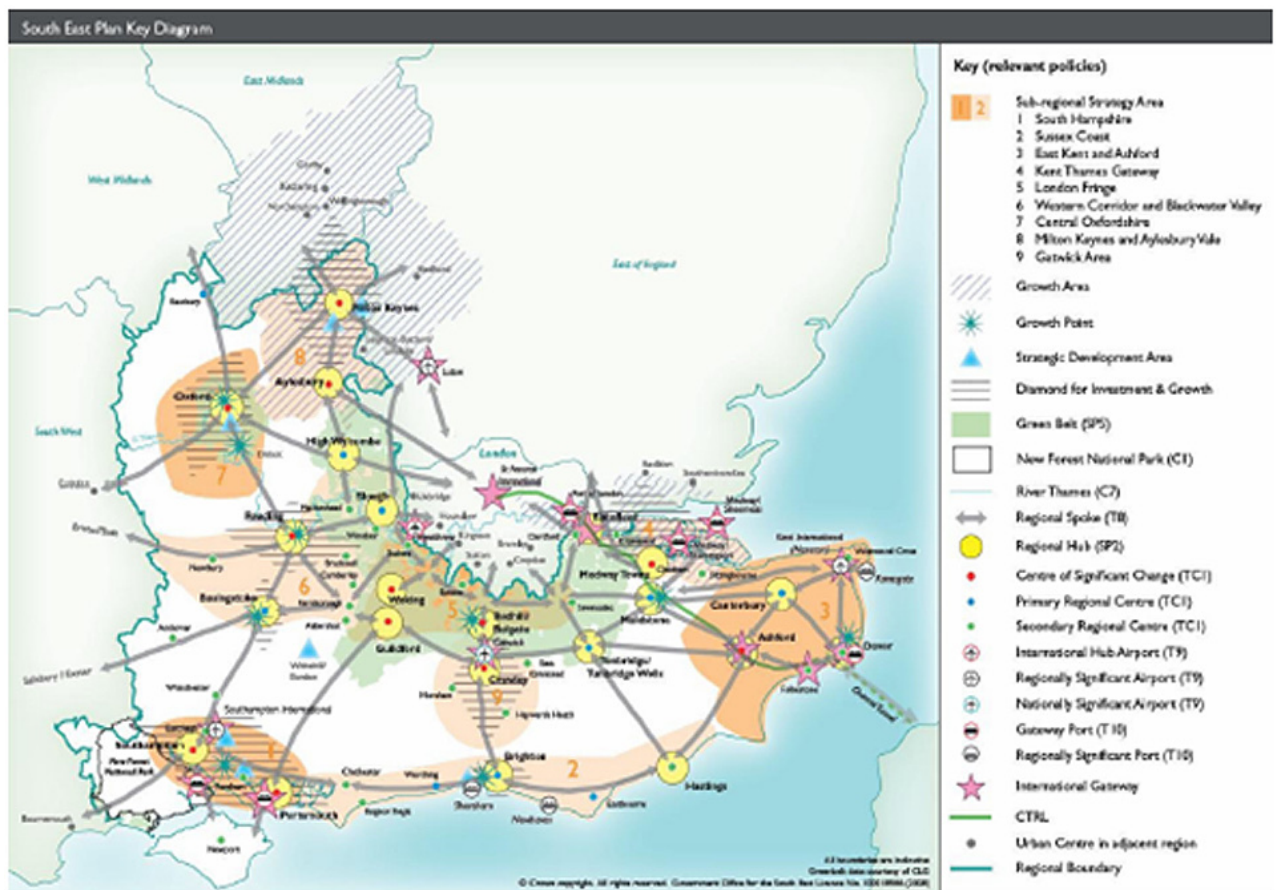
The Plan identifies the following sub regions:

South Hampshire, Sussex Coast, East Kent and Ashford; Kent Thames Gateway; London fringe; Western Corridor and Blackwater Valley; Central Oxfordshire; Milton Keynes and Aylesbury Vale; Gatwick; Isle of Wight and Areas Outside Sub Regions. These sub regions each have their own housing targets and, where appropriate, large scale employment and housing sites and retail floorspace requirements are also identified.

Policies for the sub regions reflect the overall spatial planning strategy for the region as a whole which can be summarised as follows: Milton Keynes/ Aylesbury and the Thames Gateway are identified as being **Growth Areas** and Diamond areas for growth where large scale growth and investment in housing, economic development and infrastructure is to be promoted.

There are also 22 identified **Regional Hubs** - for example, Ashford, Aylesbury, Ebbsfleet, Reading, Portsmouth and Southampton where new housing and economic development will be focussed. Seven **Strategic Development Areas** are also identified for major mixed development growth. The prime focus is for development to be in urban areas at least 60% of development should be on previously developed land or buildings.

These strategic locations for growth and development are highlighted in the key diagram below:



Housing development

The plan also identifies a requirement for an additional 65,000 new dwellings between 2006 and 2026, which equates to 32,700 per annum. A break down of this figure by each Sub Region and local authority level is given below

Sub Region	2006-2026	per annum
Western Corridor & Blackwater Valley	102,100	5,105
South Hampshire	80,000	4,000
Sussex Coast	69,300	3,465
Milton Keynes & Aylesbury Vale*	68,250	3,413
East Kent & Ashford	56,700	2,835
Kent Thames Gateway	52,140	2,607

*Including Milton Keynes growth area

The allocations for the Sub-regions are then further broken down to the Local Authorities, those with the highest housing requirements are identified below.

Local Authority	2006-2026	per annum
Milton Keynes	41,360	2,068
Aylesbury Vale	26,900	1,345
Ashford	22,700	1,135
Basingstoke and Dean	18,900	945
Dartford	17,346	867
Southampton	16,300	815

To help achieve these growth rates higher housing densities will be encouraged with an overall regional target of 40 dwellings per hectare.

There is also a region wide target of 35% of all new housing to be affordable of which 25% is to be social rent and 10% for intermediate housing.

Green Belt Boundary Review

The Plan proposes a review of the green belt to the north east of Guilford, south of Woking and in the Oxford Green Belt to the south of the City. Other reviews are recommended at Reigate/Redhill.

Employment Land Review

The Plan identifies an indicative requirement for approximately 480,000 new jobs in the region between 2006 to 2026. To help achieve this Local authorities are to undertake employment land reviews working with adjoining authorities and in

consultation with business interests. The process will include reviewing all extant allocations of employment land for their suitability to meet future needs.

Where land cannot be economically developed, or which for other reasons is not suitable for employment purposes alternative allocations may need to be made and the original land reallocated to alternative uses.

Retail and Leisure

A hierarchy of town centres are identified within the plan. Centres for Significant Change - Ashford, Chatham, Crawley, Guilford, Milton Keynes, Oxford, Portsmouth, Reading, Reigate/Redhill, Southampton and Woking. These centres are expected to undergo the most significant change across the range of town centre uses during the plan period and major town centre uses, including retail development of large scale are to take place within these centres. Secondary regional centres are also identified where town centres uses are also be encouraged subject to that their proposed development does not undermine the centres of significant change.

It is these centres that are to accommodate the identified need for additional retail development; the plan does not propose any further need for a regional or sub regional out of centre retail development or major expansion of existing out of centre regional centre retail developments.

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