# BRIEFING



East Midlands RSS: Secretary of State's Changes and Adoption of the Regional Plan

17 March 2009

The East Midlands Regional Plan (the Regional Spatial Strategy) was adopted by the Secretary of State on the 12 March 2009.

The adopted plan will cover the period 2006 to 2026. A link to the summary document is provided below:

http://www.gos.gov.uk/497296/docs/229865/scheduleoffurtherchanges

The following provides a brief summary of the essential elements:

# **Housing targets**

The housing targets remain substantively unchanged. There is a slightly revised target of 17,066 net additions per annum (based upon our pro-rate calculation which aggregates the separate Northamptonshire target with the target for the rest of the East Midlands). This is compares with the target of 16,810 net additions per annum contained in the proposed changes. The Secretary of State has concluded that the target provides a good balance given the evidence available to the Assembly at the time (the 2003 based projections). However, the argument that underlying need has not gone away, but is constrained by mortgage availability, is accepted by Government. The Secretary of State has chosen not to change the targets in the Regional Plan but to test new targets through a thorough review of the East Midlands RSS. The review – currently underway - will reflect the most recent household projections.

The new annual housing target (policy 13a) for the East Midlands bar Northamptonshire is 16,810 net additions per annum between 2006 -2026, or a total of 324,100 net additions by 2026. The Secretary of State has created a separate target for Northamptonshire (policy 13b) but measures this against a different timeframe of 2001-2026. This is:

North Northants 66,075 between 2001-2026 West Northants 62,125 between 2001-2026

Calculated on a pro-rata basis (deducting annual delivery over a period of five years between 2001-2006) this translates as:

North Northants 52,860 between 2006-2026 West Northants 49,700 between 2006-2026

Aggregated together with the target for the rest of the East Midlands this produces a total target of 426,660 net additions by 2026. Caution with these figures, however, is necessary.

The Government's latest 2006 based revised household projections (*Household Projections* to 2031, England, CLG, 2009) indicates a need for circa 24,000 net additions per year. The Government projections also anticipate households to increase by at least 30% from 2006 to 2031. The latest projections also indicate that the East Midlands region could become the fastest growing region of the country with the population rising by some 1m by 2028.

In summary, the Government accepts that the current downturn has its origins in the financial and economic problems of the world economy rather than demographic reasons: the underlying trends of population and household growth will remain largely unchanged. It acknowledges that housebuilding activity in the region over the past decade has been significantly lower than household formation and this will problem will be acerbated by the current downturn. The economic and social consequences of under-provision are acknowledged. Consequently it is necessary to continue to plan for future growth to ensure that the planning process can respond quickly when the housing market recovers.

The five year phasing cohorts have been deleted and replaced with annual apportionment figures for monitoring purposes.

### **Minima**

Policies 13a and 13b clarify that the housing targets set out in policies 13a and 13b are those that LPAs should deliver over the plan period – they are minima. Higher targets than those set out can be tested through the LDF process.

All targets are minima except in the case of East Lindsey, Boston and South Holland where these are currently to be treated as ceilings pending the agreement of a Lincolnshire Coastal Strategy.

## Distribution of new development

The RSS has very much an urban focus with the majority of development concentrated on the five principal urban areas (PUAs) of the region: the built up areas centred on Derby, Leicester, Lincoln, Northampton and Nottingham. Significant levels of new development should also be located in the three growth towns of Corby, Kettering and Wellingborough. Appropriate development of a lesser scale should be located in the Sub-Regional Centres (SRCs) of:

Eastern Sub-area: Boston, Grantham and Spalding;

Northern Sub-area: Chesterfield, Mansfield-Ashfield, Newark and Worksop;

Southern Sub-area: Daventry;

Three Cities Sub-area: Coalville, Hinckley, Hucknall, Ilkeston, Loughborough, Market

Harborough, Melton Mowbray and Swadlincote.

The development needs of other settlements and rural areas would be considered but the priority would be very much on providing affordable housing only and protecting character (despite the representations of the HBF on this matter).

#### **Brownfield land**

Existing Government policy is reaffirmed: the Secretary of State sees no reason to raise the PDL target above the current policy guide of 60%.

# Affordable housing

The Secretary of State has deleted percentage affordable housing targets and replaced these with absolute figures over the plan period. These are set out below, but they do not represent maximum targets:

Central Lincolnshire HMA: 11,800 Coastal Lincolnshire HMA: 3,600 Peterborough Partial HMA: 8,400 Nottingham Outer HMA: 9,200

Northern (Sheffield/Rotherham) HMA: 10,000

Peak, Dales & Park HMA: 6,100

Derby HMA: 12,100

Leicester & Leicestershire HMA: 26,500

Nottingham Core HMA: 17,100

North Northamptonshire HMA: 14,300 West Northamptonshire HMA: 17,900

East Midlands Region: 137,000

## Better design

The Secretary of State *resisted* calls for more demanding design and sustainable construction requirements to be introduced through the RSS (policy 2) before these are tested and justified through DPD preparation. Instead the RSS encourages LPAs to "seek to" meet 10% of their energy needs from decentralised or renewable sources until they have prepared appropriate DPD policies. As the supporting text of paragraph 1.4.2 states:

"In the interim period, before DPDs are in place, all new developments of more than 10 dwellings, or for others uses exceeding 1,000m2 floorspace, should seek to secure at least 10% of their energy from decentralised and renewable or low-carbon sources unless it can be demonstrated by the applicant, having regard to the type of development involved and its design, this is not feasible or viable."

## Sustainable Urban Extensions and adjustments to the Green Belt

As in the Proposed Changes there is no commitment by the SoS to the identification of specific areas where adjustments to the Green Belt boundary could be countenanced through the RSS. However, the Government has accepted the need for some urban extensions particularly in the Nottingham conurbation, as necessary to meet expected levels of housing demand, even when brownfield sites have been fully developed. This is reflected in the Three Cities SRS Policy 2 which requires a comprehensive review to identify the most sustainable locations for growth throughout the Nottingham Core Housing Market Area and Hucknall. This could include exploring alterations to the Green Belt boundary. This is necessary to avoid the over-development of the city centres and outer-lying villages.

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