

**WRITTEN STATEMENT BY TERENCE O'ROURKE ON BEHALF OF  
LEGAL & GENERAL AND OTHERS FOR SUB-MATTER 1A  
(STRATEGIC ISSUES, VISION AND OBJECTIVES) OF THE DRAFT  
SOUTH EAST PLAN EXAMINATION IN PUBLIC**

**1A.1 What are the key spatial strategy challenges facing the South East and is the response of the draft RSS adequate?**

Key spatial strategy challenges include:

- Meeting the region's housing needs "to ensure that everyone has the opportunity to live in a decent, sustainably constructed and affordable home" (source of quote first objective Integrated Regional Framework);
- Sustaining the economic dynamism of the region to ensure "a buoyant economy with high and stable levels of economic growth and employment across the region" (Section D2 Paragraph 1.24 of Plan);
- Acknowledgement of the rich and diverse environmental assets and ensuring protection and conservation of the critical environmental capital of the region;
- Addressing climate change issues to ensure that the region adapts to and mitigates against those effects;
- Minimising congestion and ensuring a transportation network that meets the needs of the region;
- Need for greater efficiency in use of natural resources to help ensure their sustainable use;
- Addressing regional disparities.

The response of the Draft South East Plan to these challenges is only partly adequate. The Plan rises to the challenges of protecting and conserving the critical environmental capital of the region and promoting greater efficiency in use of natural resources. For example, there are various policies giving priority to the protection and conservation of areas designated for their landscape and nature conservation importance. Its response in these areas can be considered "adequate".

The response of the Plan is however, inadequate particularly in relation to the issue of housing. The Plan fails to rise to the challenge of planning to meet the region's housing needs. As a matter of fact, and without straying into Sub-Matter 1H, the level of housing proposed falls short of the numbers indicated by household projections. As a consequence problems of housing affordability in the region will be exacerbated and there will be increased sharing and multi-occupancy and which are generally considered to be less socially desirable. It is ironic that the Draft South East Plan places emphasis on addressing housing affordability when its own actions of under-providing overall housing numbers is likely to exacerbate problems of housing affordability. National policy is that "everyone should have the opportunity of a decent home" (PPG3). Draft PPS3 expands on this to "ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live". Under-providing housing numbers means that the Plan is inconsistent with this national policy. The draft Plan's approach is similarly inconsistent with the Integrated Regional Framework objective "to ensure that

everyone has the opportunity to live in a decent, sustainably constructed and affordable home”.

The under-provision of housing will have consequences for the economic performance of the region. It is likely to have both a negative impact on economic growth and lead to increased net commuting into the region (Section B Paragraph 7.3.4 of the draft Plan). The under-provision of housing is therefore an inadequate response to achieving the national aim of “the maintenance of high and stable levels of economic growth and employment” (PPS1 paragraph 4). The prospect of increased net commuting into the region as a result of under provision of housing is an inadequate response to the transportation challenges facing the South East.

### **1A.2 Are the draft RSS's vision and objectives clear and appropriate? How will this vision of a healthier region be achieved?**

The two key objectives relating to the economy (Section A paragraph 4.2.ii) and housing numbers (Section A paragraph 4.2 iv) lack both clarity and appropriateness.

The purpose of objectives is to give clear direction. The use of the phrase “reasonable level” when referring to both level of economic growth and level of housing development opens the objectives to interpretation. They therefore lack clarity.

#### *Economic growth*

PPS1 sets out (paragraph 4) the Government's aims for sustainable development. One of those aims is “the maintenance of high and stable levels of economic growth and employment”. The draft Plan's reference to “reasonable level of economic growth” is inconsistent with national policy. There is no justification given to depart from national policy. There is nothing in the Draft Regional Economic Strategy to suggest that the draft Plan should adopt a more restrictive approach to economic growth than set out in national policy.

Despite the objective of a “reasonable level of economic growth” the draft Plan later says:

“This Plan's aspiration for 2026 is for a buoyant economy with high and stable levels of economic growth and employment across the region” (Section D2 Paragraph 1.24).

This is effectively an objective. The draft Plan is trying to face two ways at the same time: an “aspiration of high and stable levels of economic growth and employment” and an objective of “a reasonable level of economic growth.” A case of clear inconsistency! The aspiration is consistent with national policy and should become one of the objectives of the draft Plan.

Objective (ii) of the Plan **should be amended** to read:

“the need to plan positively for a buoyant economy with high and stable levels of economic growth...”

### *Housing*

PPG3 sets out the Government's objective for housing:

"The Government intends that everyone should have the opportunity of a decent home" (paragraph 1).

It goes on to say in paragraph 2:

"Local planning authorities should:

- Plan to meet the housing requirements of the whole community...
- Provide sufficient housing land..."

The Consultation Paper, draft PPS3 states in paragraph 1:

"The Government's key objective for housing is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live".

The Integrated Regional Framework has as its first objective:

"To ensure that everyone has the opportunity to live in a decent, sustainably constructed and affordable home".

The common characteristic of both the Government's objective and the Integrated Regional Framework objective for housing is ensuring that **everyone** has the opportunity of living in a decent home. However, the objective of the draft South East Plan steps back from this and merely refers to providing for a **reasonable** level of housing. Although "reasonable" is not defined there can be little doubt that it falls short of "everyone"; otherwise why not use the word "everyone". As a consequence of setting an objective for a "reasonable level of housing" the plan sets out on an inappropriate path which is inconsistent with both national policy and the Integrated Regional Framework. The effect is that the draft Plan fails to provide for sufficient housing in the region. No reasoned justification is given to support a level of housing which falls short of meeting projected needs and therefore fails to ensure that everyone has the opportunity of living in a decent home.

The consequences for matters such as housing affordability, multi-occupancy, and economic performance arising from an objective which leads to an under provision in the amount of housing have been ignored. Furthermore, the effect of these consequences will make it more difficult for the region to realise 'the healthy region' vision set out in the draft Plan.

Objective (iv) of the Plan **should be amended** to read:

"The need to plan for everyone to have the opportunity of living in a decent home".

### *Strategic development areas*

One of the draft Plan's objectives is:

“The need to decide whether any strategic development areas should be proposed”  
(Objective xvi).

By referring to “the need to decide...” the objective is showing a reluctance to face up to reality. Notwithstanding the priority to use previously developed land there will remain a proportion of development needs which will have to be met on greenfield sites. Nor can it be expected that the greenfield requirement will be met entirely by small scale sites.

The objective as worded can be argued to fail the test of an objective in that it does not give clear direction by merely referring to “the need to decide”. There can be little doubt that the Plan needs to make provision for greenfield releases of a scale it refers to as “strategic development areas”. However, it also lacks clarity in that there is no definition of “strategic development areas”.

Draft PPS3 states that “in sub-regional housing market areas where demand is high, regional planning bodies should aim to increase housing supply by exploring and identifying growth areas, growth points, new free standing settlements and major urban extensions as necessary and appropriate”. The terms “new free standing settlements and major urban extensions” give clear meaning and should be used as a definition of “strategic development areas”.

Objective (xvi) should be **amended and clarified** as follows:

“The need to plan for strategic development areas (new free standing settlements and major urban extensions)”.

**1A.3 Is the draft Plan right to adopt “a cautionary approach” to growth over the long term and to plan to meet the “reasonable needs” of the region? What is meant by the concept of reasonableness?**

Section B Paragraph 7.4.1 rightly begins by acknowledging that “demographic projections and employment forecasts provide the starting point for considering future levels of growth in the region”. The paragraph then states that there is a “considerable degree of uncertainty that applies to aspects of these forecasts”. This along with other “uncertainties” becomes the justification for a “cautionary approach”.

Undoubtedly there are uncertainties surrounding projections and forecasts. However, the emphasis on “considerable degree of uncertainty” implies little faith in demographic projections. This is effectively a smoke screen to avoid facing up to the demographic realities of what the Plan should be making provision for.

PPG3 states that in planning the provision of new housing in regional guidance factors “to be taken into account should include the Government’s latest published household projections, the needs of the regional economy...” (paragraph 5). Similar advice is repeated in draft PPS3 (paragraph 7b). There is nothing in this national guidance to suggest that a “considerable degree of uncertainty” should be attached to the household projections. To quote the Report of the Panel of the Examination in Public of the East of England RSS on the issue of projections: “This does not mean that they can be wished away as fiction invented by Government” (paragraph 2.9).

The “cautionary approach” is an inappropriate response to both the Government’s household projections and its call for “a step-change in housing supply” (paragraph 2.1 of the Government’s response to Kate Barker’s Review of Housing Supply). It is effectively an approach to not plan to meet the forecast needs of the region. This is likely to lead to undesirable consequences including worsening affordability, negative impact on economic growth, and insufficient allocations in local development frameworks - leading to increased ‘planning by appeal.’

The concept of “reasonableness” is vague. It has been introduced into the draft Plan as a justification not to plan to meet the forecast needs of the region.

**1A.4 Has the draft RSS been properly informed by the Sustainability Appraisal? How can the recently completed Appropriate Assessment best inform the testing and finalising of the draft RSS?**

The draft Plan includes a raft of policies that address issues about resource consumption and environmental protection which appear to have been informed by the Sustainability Appraisal. However, the issues raised in the conclusions of the Sustainability Appraisal and which highlight matters relating to the level of housing provision have been avoided.

Pending the availability of the Appropriate Assessment comments on this are reserved.