

**South East Plan EiP: Sub-matter 10A Implementation**

**Statement by Partnership for Urban South Hampshire (ref 7138)**

**Summary**

1. The Partnership for Urban South Hampshire (PUSH) considers that the proposed implementation mechanisms establish a clear means for translating RSS policies into action. However, this is dependent on government spending decisions and it is essential that the planning authorities retain the ability to control the scale and pace of development to ensure the adequate provision of infrastructure to service that development.

**10A.1 Do the proposed implementation mechanisms and delivery agencies in the draft RSS, as supplemented by the Implementation Plan, establish a clear means for translating RSS policies into action?**

2. Yes. The Partnership for Urban South Hampshire (PUSH) supports the spatial approach of the draft South East Plan to focus development in the sub-regional strategy areas. Given the requirement in policy CC5 for the scale and pace of development to be dependent on sufficient capacity in existing infrastructure to meet an area's needs and the provision of new infrastructure to meet the needs of new development, this should result in investment in infrastructure being directed to the sub-regional strategy areas. This is where the majority of growth will take place and therefore where the priority for investment in infrastructure is. In particular this will help to meet criteria iii, v, vi, vii and viii of the preferred spatial strategy at paragraph 3.4.1 of the plan.
3. PUSH supports the recognition in paragraphs 3.1 and 3.2 of the Implementation Plan that there has been past under-investment in infrastructure in the region. PUSH also agrees with the statement at paragraph 7.2 that investment in transport and affordable housing are two aspects of infrastructure provision where the current level of investment made available at the regional level is not sufficient and that this funding gap cannot be bridged by developer contributions alone, even if the government introduces the proposed planning gain supplement. For example, if policies H1 and H4 are both to be effectively implemented, increased funding for affordable housing through the Housing Corporation will be required.
4. PUSH supports the intention to agree a concordat between the government and the region to ensure the timely and adequately resourced provision of infrastructure to support the proposed level of growth, thereby ensuring sustainable communities (paragraph 4.1 of the Implementation Plan). PUSH is extremely disappointed that this

remains an intention and a firm and binding agreement has not been reached prior to the Examination in Public. The government should demonstrate its commitment to supporting growth with the appropriate provision of infrastructure through a formal concordat.

5. PUSH supports policy CC5 and the firm line it provides on the provision of infrastructure as a pre-requisite for development. In particular, criterion iii is supported as it provides the basis on which the granting of consent for development can be linked to the provision of infrastructure. It is essential that this requirement is not weakened and remains in the final version of the plan.
6. The implementation mechanisms in the draft South East Plan establish a clear means for translating the policies into action. However, whilst the plan looks forward to 2026 and will set the scale and pace of development for this 20 year period, government funding for infrastructure is planned on a much shorter timescale, dependent on the comprehensive spending reviews. It is therefore essential that the planning authorities have the ability to link the scale and pace of development to the provision of infrastructure. If the planning authorities are faced with a reduction in government expenditure on infrastructure, it is essential that they retain the ability to restrict the scale and pace of development to that which can be adequately serviced through the provision of infrastructure. Failure to do so will have a negative impact on the quality of life in the region and would not lead to sustainable development.
7. An example of the mismatch between setting the scale and pace of development in the South East Plan and the provision of infrastructure through the government's spending reviews can be seen in the example of sea defences to prevent tidal flooding. The South East plan assumes continuing development in South Hampshire on previously developed land in the tidal flood plain that lies behind sea defences. These defences protect substantial existing assets. Whilst decisions on continuing development in these areas are part of the process of developing the South East Plan, the premise upon which these decisions are based, i.e. that these tidal flood plains will continue to be defended, is subject to the separate decision making processes of the Department for the Environment, Food and Rural Affairs and the Environment Agency. The decisions on funding for sea defences will only provide certainty that the relevant infrastructure will be provided for a relatively short period into the future compared to decisions on the scale and location of new development.
8. Having carried out work looking at the infrastructure requirements for South Hampshire over the plan period, PUSH has noted that much of the increased expenditure that will be required will be needed for revenue expenditure. For example, the ageing population will require greatly increased revenue expenditure in Adult Social Services local authority departments. This is something that will happen irrespective

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of development, but development will lead to increased demands for services due to the increased population. It is not possible to demonstrate now that this will be affordable in 20 years time. It should be noted that capital investment will usually also have revenue implications (e.g. on going staff and maintenance costs).

9. The requirements for increased revenue expenditure also highlight the effect of the delay in increased resources being made available to provide services for larger populations in the growth areas. The grants to local authorities are always based on population information that is out of date and this has the effect of penalising those areas with the greatest rates of growth. This approach to determining funding levels needs to be updated so that the areas delivering the growth are not penalised through a delay in the amount of funding matching the actual population.
10. It is essential that the Implementation Plan is regarded as an integral part of the South East Plan and that it benefits from the status as being part of the development plan. It has been submitted to government as part of the South East Plan and if it is treated as separate from the rest of the South East Plan, its status and usefulness in ensuring the development is supported by the timely and commensurate provision of infrastructure will be diminished. The proposals in the Implementation Plan are fundamental to achieving many of the cross cutting policy in the plan and to ensure that development is sustainable and does not diminish the quality of life for existing residents in the region.

### **10A.2 Will the draft RSS help to promote a climate that is conducive to high investment confidence (for both public and private sector investors)?**

11. In terms of the South Hampshire sub-region the Partnership for Urban South Hampshire's answer to this question is a qualified 'Yes'. The strategy set out for the sub-region demonstrates that the authorities across the area are working together to plan for the next twenty years of development, and that our plans are both well advanced and based on sound evidence. We are also aware that the business community and private sector is seeking certainty in relation to investment decisions and clarity on wider expectations such as design and sustainability. We believe that (subject to the concerns expressed in 10A.4 below over potential levels of investment) the sub-regional strategy provides a clear platform for implementation.

### **10A.3 Is there a role for the Regional Assembly to coordinate strategic reviews of land holdings (Policy CC6)?**

12. The Partnership for Urban South Hampshire has no comment to make on this question at this stage.

**10A.4 To what extent are the Investment Schedules in the Implementation Plan affordable and realistic?**

13. The question, 'To what extent are the Investment Schedules in the Implementation Plan affordable?' can only really be answered by the government. Most of the elements identified in the Implementation Plan rely on central government funding. It is vital that implementation and delivery are linked with the Plan. As an example, some 59 transport schemes have been identified as critical to the delivery of the sub-regional strategy. These cover Reduce, Manage and Invest measures, with a price tag of some £2 billion to 2026. The response by the Regional Assembly in prioritising less than 10% of these proposals for funding by 2016 raises serious doubts over the commitment to funding the necessary infrastructure. If the government view is that these proposals are either not affordable or realistic, it will be necessary to look at reduced amounts of development that can be supported by infrastructure proposals that are affordable and realistic. The PUSH view is that the infrastructure proposals identified are crucial to delivering the growth and that without them the proposed pace and scale of development would not be sustainable. PUSH therefore considers that the Investment Schedules are realistic as they describe what is needed to deliver the quantum of growth planned for the sub-region in a sustainable way.
  
14. It should be noted that the government is not expected to directly fund all the infrastructure necessary to deliver the rates of growth proposed in the South East Plan. Much of this will come from developer contributions, although there is a threshold above which development would not be economically viable and would therefore not go ahead. The government will need to fund the gap between what can be generated through developer contributions and what is needed to deliver sustainable growth. The Implementation Plan states that there is a funding gap of some £5,550m at the end of the section on regional scale infrastructure (page 32). Whilst some of this gap could potentially be met through increased developer contributions, this will not account for all of the gap. It is essential that the government agrees to provide funding to ensure that there is no funding gap to provide the essential infrastructure to support new development. This will be especially important where investment in infrastructure is needed up front and in advance of applications in order to pump-prime development.