

CPRE *SOUTH EAST*

Date of meeting: 19 May 2010

Regional Director's Report to Regional Group

Report covers representations, background and policy work of the Group January – April 2009

1. South East Overview

The results of the General Election have created an unusual situation; an inconclusive result has led to a hung Parliament, and in turn to a coalition. Regions had become something of a football during the election campaign, with many references to RDA roles, and to levels of migrant workers. Discussion of planning and related issues was poor, and only climate change seemed to receive a fair hearing at hustings events. This is because 'the environment' should command support across parties. Housing was an important topic at different times, with issues raised concerning the tax on new houses, and the value of targets for house building. While many have suggested that regions were a creation of the losing party, there has been a move to rebrand the concept as 'intermediate' or 'intermediary'. The new spirit of co-operation is likely to see a move towards 'localism' for planning decisions, while recognising the value of strategic planning outside statutory frameworks.

Work towards the single Regional Strategy continues. Some may see sustainable development as a barrier to achieving certain objectives in the region, such as low cost housing. The new Government will also have to cope with a weakened economy and a budget deficit. The need to restore public finances and rebuild the economy will be the dominant issue of this Parliament. Key elements in the South East Plan should not be lost in the pursuit of growth, especially if SEEDA becomes a more strategic body, and more economically focused. The South East Partnership Board, working with the local authority Leaders Board, has made some headway already. Any regionally established objectives should not be swamped by a national overview. Housing allocations in the South East Plan are causing difficulty in many areas. The possible emergence of strategic sites for new housing has caused much concern in some counties, with options on land surrounding many towns and smaller settlements. CPRE is making representations as appropriate on these sites.

2. General Election results for region

The General Election itself saw a significant shift on 6th May. The South East has moved closer to single party representation. There are now only 9 non-Conservative seats; four are Labour and four Liberal Democrats. The Regional Minister, Jonathan Shaw was ousted in Chatham, and the only Green Member elected was in the South East. The South East Select Committee was reduced to a single surviving member; Andrew Smith in Oxford East. The Chairman, Dr Stephen Ladyman in Thanet South lost to Laura Sandys, daughter of Lord Duncan-Sandys, who founded the Civic Trust in 1957. David Lepper in Brighton Pavilion lost to Caroline Lucas of the Green Party; Gwyn Prosser to Conservative Charlie Elphicke in Dover, and Celia Barlow lost Hove to Mike Weatherley. The new coalition agreement ends the speculation on new runways at Heathrow and Gatwick; promotes HS2, and paves the way for a low carbon and eco-friendly economy. While Conservative proposals on planning were developed by Caroline Spelman, she has gone to Defra, with Eric Pickles running CLG.

CPRE itself has been busy campaigning on the countryside manifesto. The South East produced a regional version, as did several other regions. It was good to see how much we were able to influence the manifestos of all three major parties commitments on; the natural environment, litter and local foods, among other issues, have made it into one or more of the manifestos. Branches and local groups have also produced local manifestos, help to run events and got the CPRE message in the media. Volunteers nationally sent over 1,400 letters to candidates, along with more than 900 letters to local papers. As a result, many candidates contacted CPRE, pledging their support for our manifesto. We will look forward to this Parliamentary session building on such pledges of support.

3. Regional Strategy

CPRE will be invited to a stakeholder conference/workshop at Church House Westminster in late June on the Regional Strategy. This will include a presentation on the Regional Strategy: Partnership Board will set out why the region is moving from the RSS to the RS, where we are in the process, also some of the key issues and objectives and raise the question of stakeholder engagement and the strategic choices the region needs to make. This will be made by one of the stakeholders and will focus on what came out of the Partnership Board 'Future of the South East' workshops held at Reading and Lingfield Park earlier this year. There is a summary available, and it is on the website: www.se-partnershipboard.org.uk/page/5/view/73/regional-strategy Nick Woolfenden, Head of Regional and Area Policy at SEEDA is fronting the event.

Productive and Sustainable Stakeholder engagement will be a key theme. After the groups have returned from the workshops, the discussion will highlight the extent of the work to be undertaken. It would then be appropriate to discuss who would be best for the SEEPB to engage with as wider stakeholders across the region. Suggestions will be canvassed on the best ways in which this is carried out, and which stages stakeholders want to be engaged with, and how.

4. Future of Developer contributions

The Conservatives have pledged to simplify the system of contributions, returning planning obligations to their original function and limiting their use to site-specific remediation. They pledged to introduce a single unified local tariff which will be applicable to all residential and non-residential development, with rates graded according to the size of the development. Local authorities will publish tariff rates in their local plan with a percentage of the money raised from the tariff passed down to the community in which the development takes place. Affordable housing units will be exempt as will self-build housing and development by Local Housing Trusts. However, recent legislation on 6th April 2010 brought the Community Infrastructure Levy (CIL) into force with planning obligations being scaled back so that Section 106 agreements will only be permitted if they are directly related to the new developments and a consultation being launched to decide their future. CPRE will be monitoring events in the new situation in the region.

5. Eco Town funding

The Whitehill Bordon Opportunity Executive has been considering its strategy following the announcement of the first year's funding of £10.69m for the Eco-town. The Executive agreed that the funds will be used to deliver projects that will provide immediate improvement of services and facilities for the town's existing population. The funds will also be used for demonstration projects that will show what Eco-housing could be like. Members of the executive have emphasised that even if changes or delays were introduced following the general election, the programme of projects would still go ahead. The executive also re-affirmed its commitment to the original concept of the Green

Town Vision, and to using the opportunity of Eco-town funding to deliver that vision. The Chairman of the group, David Parkinson, leader of East Hampshire District Council, has said he was pleased the executive board shared a confidence, as more government support came in. Top of the agenda was delivering these benefits as efficiently as possible www.whitehillbordon.com. CPRE has maintained a watching brief over the proposals to ensure a strategic and sustainable model.

6. Defence Estate holdings

On 22 April, a useful meeting was held with Martin Lloyd, Senior Land Agent of the Defence Estates. Information on some 20 sites was provided for reference. A large number of sites are being considered for release by the MOD, and many may be partly brown field. Some care is being taken to ensure a sustainable approach, and this may help to protect other areas.

At Ash ranges and Deepcut barracks, regiments are to move to Cosford and Worthy Down, near Winchester. Deepcut should be released by 2012, and the site could take 1,800 dwellings. Surrey Heath needs SANGS, and part of the open space will be for this. The proximity of the Thames Basin Heaths, to the Pirbright ranges SPA will constrain development. The site needs quality development because of its open character. Mixed uses will be necessary to make the new community sustainable. Other important sites include Arborfield in Berkshire. The proposal there is for a 5,000 house development of which 3,500 houses would be located on army land. This site is controversial, and not currently identified in local plans. The Queen Elizabeth II Barracks site at Church Crookham may become available shortly, with work in progress on alternative public open space.

7. South East housing Trajectory

In 2009, 32,300 homes were built in the South East. This is 1% lower than the annual average in the South East Plan. Four authorities saw more than 1,000 homes delivered in 2009: Basingstoke and Deane, Milton Keynes, Portsmouth and Southampton. Large numbers of housing completions were also recorded elsewhere in the South East, particularly in the other Growth Areas and in a number of the other Growth Points, and in several of the other large urban areas and Kent districts.

Although the number of homes completed in the South East in 2009 was nearly 9% lower than the number completed in the previous year, housing delivery for the region as a whole compares well with the overall requirement in the South East Plan. Since the start of the Plan period (2006) almost 102,300 homes have been completed in the South East. This is equivalent to an average of 34,100 homes a year. The average number of homes completed in the South East over the last five years was almost 33,500. The downturn in housing completions and short-term prospects for housing delivery are confirmed in the latest Government monitoring data on housing starts. 5,180 homes were started in the South East in the three months to the end of September 2009. In line with usual seasonal fluctuations, total starts did fall again in the final quarter of 2009 to 4,270. Total housing completions in the South East have outstripped starts in every quarter since the three months to September 2007.

8. Affordable Housing provision

The South East Plan requires that local authorities take into account overall regional targets that 25% of all new housing should be for social rent and 10% for intermediate affordable housing. 9,400 affordable homes were completed in 2009, equivalent to 29% of total net housing completions. Although delivery of affordable housing is higher than it has been for at least 20 years, reflecting increased Government investment, the figure still compares poorly with the overall target set in the South East Plan. The shortfall was some 18%, or over 2,000 homes. Over the three years 2006-07 to 2008-09, affordable homes accounted for 22.5% of completions in the South East.

9. SEFS arrangements

SEFS continues as the regional umbrella for the South East. It is now administered through the Environment Centre in Southampton. The Environment Summit organised by SEEDA needed some follow up. SEFS may be taking in statutory bodies as members. SEFS would raise its profile and maintain its credibility. CPRE South East will remain in membership of SEFS, and branches will still be able to attend general meetings. SEFS would consider a range of issues to look at, such as health and eco-system services. SEFS would retain its activities in place until government policy was clearer.

10. South East Excellence

The South East England Development Agency has undergone a major organisational change to focus on those activities that directly support businesses to help them through the recession, and high growth sectors which will secure the region's competitiveness for the future. One of the consequences is that they have had to cut some areas of work, and the South East Excellence programme is one such area. However, certain elements will continue, including the sharing of best practice. The South East Excellence website (www.southeastexcellence.co.uk) will still be available and will be managed by the South East England Partnership Board. CPRE has been involved with design issues.

11. South East Rural Forum

The South East Rural Forum for the South East met under the Chairmanship of Andrew Bowles, Leader of Swale in Kent. There were updates from the Rural Board and on rural affordable housing from Pam Doodles of Wealden Council. There was also a presentation on Community-Led Planning and Affordable Housing by Arlene Kersley and Gavin Parker of Reading University. In the afternoon, there was a forum discussion of affordable housing delivery, led by Jacinta Thorley.

12. Housing Inquiry

The Inquiry on Housing in the South East, by the House of Commons Regional Select Committee reported shortly before the dissolution of Parliament. CPRE South East submitted written evidence, in response to the questions set out. The MPs were concerned with the delivery of government policy, but it provided a good opportunity to raise issues of concern to CPRE. All branches were asked to send in comments for a single CPRE South East response, and were also asked to give oral evidence. The final report, plus minutes of evidence has been published, and this supported many of the concerns on environmental issues, such as loss of green belt and sustainable construction. The report has to have a response from government. Our press release is on the CPRE website.

House price inflation has rebounded in April, helped by better weather with commentators expecting a post election bounce. This is according to the RICS *UK Housing Market survey*. London and the South East led the upsurge in positive price sentiment. Surveyors are reporting house price rises in every region, except Yorkshire and the Humber. The sales expectations net balance rose from six per cent to 31 per cent in the South East, compared to a rise from six per cent to 25 per cent nationally. The average number of sales rose nationally for the first time in 2010, to 17.4 per cent per, while the average stock of market property decreased by six per cent to 61 properties per surveyor. This had the effect of raising the sales to stock ratio - a key indicator of future house price inflation - from 25 per cent in March to 28 in April.

This upward movement in 2010, and reinforces the need for CPRE to work with other bodies on this, especially perhaps the SPISE group. Rural housing affordability is a big issue, and deserves further attention. The aim would be to consider mechanisms to improve housing affordability in the region.

13. Regional Housing and Regeneration Board

The Regional Housing and Regeneration Board met in March, and reviewed the Monitoring Report 2009 key findings, and the HCA Quarterly Performance Report. These are reviewed in the housing trajectory section of my report. Regional Funding Advice was considered as regards the impact of reductions in investment on the delivery of housing and priorities for funding to 2014.

The results of the Gypsies and Travellers Site grant 2010 bidding round was reviewed, as was the report on the proposals for local authorities taking the voluntary option for new subsidy proposals. The London Plan response and the London Housing Strategy were reviewed, as well as the Regional Strategy Project Plan. Other items included the Private Sector Renewal Allocations for 2011 and the *Landowners Incentives* consultation and the recent *Affordable Housing LDF Guide*. CPRE maintains good links with the Board, as an observer, and directly with the Chairman and officers.

14. Aggregates apportionment

There was a 38% fall in primary aggregate consumption in the South East between 2001 and 2005. The forecast total demand for the region from 2005-2020 is a decline of over 20% from the 2003 figure. The revision assumes that the contribution from alternatives will rise and marine sand and gravel supplies will increase only a little, with net imports from outside the region being significantly less. The draft revision proposes that the region should provide 12.2 mtpa from land-won sand and gravel for the period 2005-2020, compared with the current figure of 13.25 mtpa (a decrease of 8%), and 1.6 mtpa of crushed rock compared with the current 2.2 mtpa, a decrease of 28%. It has been suggested that the figures for sharp sand and soft sand be presented separately, together with combined sand and gravel and crushed rock. The methodology used is more transparent than before, and it is important that the options are understandable.

The Aggregates Partial Review of Regional Spatial Strategy went to an Examination in Public in October 2009, in Reading. This was to review Policy M3 on Primary Aggregates. The South East Minerals Planning Authorities challenged the government target of 12m tonnes per year. Minerals authorities concluded that the evidence supported no more than 9mtpa in the region. Unfortunately, the South West, East of England and East Midlands regions objected to this, due to the potential increase in apportionment to their regions. The level of sales from the South East has been declining for some years, and is about 7mtpa. The Panel Report backed a higher figure unfortunately, of 11.12. The distribution has also been altered, so that some counties, notably Hampshire and Oxfordshire, as well as Berkshire, have been worst affected. CPRE is responding to the current GOSE consultation.

15. Water Resources Inquiries

The South East Water Resources Management Plan public inquiry began on 11 May at Gatwick, with local hearings at South Ham, and Ringmer. The Thames Water inquiry starts on 15 June in Oxford. CPRE has been working on these issues for several months; Christine Drury and Graham Warren are appearing with Sussex CPRE and Oxfordshire CPRE at both Inquiries. The Plans are statutory under the Water Act 2003, and the Environment Agency has produced a revised guideline for the industry. These cover the baseline supply-demand balance over 25 years; the Habitats Regulations Assessment and Strategic Environmental Assessment. The aim is to avoid a deficit, with water management options deployed to meet the difference. This is acknowledged in the twin track approach in the South East Plan. CPRE is presenting an alternative regional approach and opposing the reservoirs.

Edward Dawson