

RSS EXAMINATION IN PUBLIC SOUTH EAST

STATEMENT BY CPRE SOUTH EAST: PARTICIPANT 7124

MATTER 1B – INTER-REGIONAL & INTERNATIONAL ISSUES

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**1B.1 Has the draft RSS taken sufficient account of the effects of:**

- **globalisation and technological change;**
- **change in lifestyles; and**
- **likely changes to European policy and funding?**

1.1 Globalisation is treated primarily as a context for the Plan, rather than an integral part of the policies. Although there is a bold and confident introductory statement (B.2.1) about the importance of outward looking relationships with the rest of Europe and the wider world, this becomes a rather more defensive statement about labour markets and the threat of off-shoring in considering Futures (B.8 and Box2) and in Economic and labour market drivers (D2 1.23v).

1.2 Given the ambition of the region to be ‘world class’, and not to slip further down the European and Global ranking of regions, it is surprising that wider global reference criteria are not incorporated in specific policies. This would make sense for an RSS because the comparators for communications, commuting time, quality of life, access to green space, and countryside, air pollution, noise, resource use efficiency, waste management, education and health, are increasingly international. This is because much of the high value in-migrations of skilled labour to the South East will make these international and global comparisons formally or informally. This applies even more to major employers already established in many locations around the world and deciding where to increase their investment.

1.3 This shortcoming of the Plan should be addressed in the work now proposed to integrate the Implementation Plan of the South East Plan with that of the Regional Economic Strategy. It is important the ‘outward looking’ claim in the Introduction is followed through more positively. This should not be in the ‘too difficult’ box.

1.4 Technological change brings new opportunities to businesses and people in the SE – for example to increase resource productivity in work, manufacturing, and house building practices and to increase quality of life by less travelling and more regular working from home: these ICT benefits are well known and well recognised in the Plan. The issue is whether they can be ‘used harder’ as indicated in the Implementation plan to move toward more consistently sustainable lifestyles and a reduction in eco footprint. This needs careful and determined progress in order to protect the increasingly threatened condition and appearance of the environment in the South East.

1.5 Technological change also brings sector change as old technologies and skills are replaced by new. This applies to service, professional and manufacturing, and probably needs much clearer recognition in the Human Resource chapter and RE3. This talks mainly about raising skill levels. It should also address retraining. In a region with a very high level of in-migration, often of workers willing to work at lower wages

it is too easy for existing workers to get 'left behind as' their employers need to move into new technologies, and they are left behind with no-longer marketable skills. Other regions with large scale industries that have changed or gone completely may have faced and tackled this more visibly than the South East. It is vital that this aspect of technological change is embraced and addressed very positively to avoid some people being 'left behind' and risking more deprivation as the region evolves.

1.6 There is much in the Plan about the need to move towards more sustainable lifestyles. At the same time the wealth creation that continues in the South East encourages greater consumption. The trick is to bring these imperatives together to achieve the goal that many now believe is achievable of progressively more sustainable consumption. The Implementation Plan is addressing behaviour change and has defined many of the enabling actions by Government and others. There now needs to be real determination to see this happen.

1.7 There is less in the Plan than there should be about European dimensions. The South East strives to be one of the strongest regions in North West Europe, and key aspects of that – such as the effectiveness of the Trans European transport Networks (TENS) should be more visible in the policy and investment frameworks. The key transport policy requirement should be to be both economically successful and to reduce environmental impacts, in terms of congestion, noise, pollution, loss of tranquillity, as well as CO<sup>2</sup> emissions. The RSS should also be committed to monitor and make use of the evolution of European funding and upcoming legislation in the period – much of which will already be in draft or nearing approval. The 2007-2013 EU Budget will change objective 1, 2 and 3 status which will affect some parts of the region, and funding will favour enabling and joint projects with the new Member States. As an open, competitive region this should generate new opportunities in the South East, culturally, socially and economically, and the definition could have spatial implications.

## **1B.2 Is the draft RSS founded on a robust understanding of the importance of the South East for the national economy? Is there sufficient alignment between draft RSS and draft RES, including assumptions on GVA and sectoral growth?**

2.1 The RES is driven by the need to deliver economic performance, and that in turn is driven by a deep understanding and commitment to the role of the region as the second most important driver of the UK economy, after London. The increasing commercial connections between London and the South East as leading businesses locate both in and outside London, strengthening that understanding and commitment. The challenge is to achieve the economic performance and at the same time enhance rather than destroy the environment and quality of life, including the countryside that is a powerful enabler for that success.

2.2 The RSS and the RES need to be brought closer together. There is a commitment to achieve that, and as we understand it the only area of unresolved difference concerns aviation policy, where the RES takes a more exclusively economic view of the contribution of the sector to the economy, and rigorously defends the international importance of aviation in the South East. The Plan takes a more balanced view and is aware of the substantial environmental and quality of life cost of the

present aviation policy that need to be offset against the economic and quality of life advantages. CPRE believes national aviation policy needs to be revised to take greater account of these environmental costs. On the question of GVA per head vs. GVA in total, we believe there is a case for focussing on increasing productivity, provided this is accompanied by increasingly smart ways of working, by less travelling, and more sustainable travel, and by working in buildings that use less resource to build and maintain, and are part of existing urban areas which have been redeveloped to become more productive and more successful economically. We also accept that GVA in total needs to increase, so we would like to see both figures used as targets.

2.3. These issues of the closer integration of the RSS and the RES should be handled by working through linked or joint implementation plans, as now envisaged. In that way practical solutions can be found that address both the narrower economic objectives of the RES and the wider spatial strategy needs of the RSS, including housing and the environment

2.4. Resolving differences on sectoral strategy should be led by the RES, provided the imperative of achieving business growth without further accelerating environmental damage can be met. This should also be progressed through the Implementation Plan

**1B.3 Does the Plan adequately address the relationship between the South East and adjoining regions, particularly London, having regard to such cross-boundary linkages as:**

- **households and migration?**
  - **employment and commuting?**
  - **transport and infrastructure?**
- (including Policy CC7 and the cross-boundary growth areas).**

3.1 The South East has always had a very close relationship with London. 50 years ago, when the Green Belt was established, it was to contain London's growth and protect the market towns and villages of the region. The commuting that was originally enabled by the railways is a permanent part of the relationship with London today. The relationship with London should be based on partnership. Both the South East and London are strong and independent economically and well as being dependent: London needs access to the South East for higher quality and more affordable housing than is available in London, as well as access to its still glorious though always threatened countryside. The South East needs the economic drivers that come from proximity to London and the prosperity that comes from commuters, despite the effect that has on housing demand and prices.

3.2 The very high levels of migration into London at the present time have produced a highly complex and disruptive situation. The data is incomplete, partly because out migration from the UK is apparently not recorded. There are exceptional factors operating at present, due to the enlargement of the EU at the same time as the world is experiencing a wave of migration. There is a tendency for these migrations to gateway to the UK through London. It is uncertain whether they will continue then to move outwards to towns and cities in the South East. The only practical approach would seem to be to take a 'median' approach to these uncertainties, and only make further provision as needed if the current very high levels continue. There should also

be much better data recording to understand the trends, noting that this is an action for Government. It will be important to understand how future trends might develop.

3.3 The focus on transport and infrastructure should be greater investment in rail for both freight and people, accompanied by travel management plans for commuting to manage demand (e.g. 4-day season tickets). Road user charging should start with freight. There should be a clear understanding at the Treasury that its purpose is to manage road use demand and congestion. Revenues should be used for more sustainable travel initiatives including low cost activities such as greatly improved travel information; they should not be relied on for general revenue generation.

3.4 Policy CC7 on Interregional connectivity should be supported by a specific Action Plan in the Implementation Plan. It should start with an effort to align a set of sustainable development objectives so that the balances between economic and environmental imperatives can be aligned. There are likely to be an increasing number of topics that need inter-regional attention. Water is already in this category, as is waste with the London commitments. There are now substantial green infrastructure projects under the Green Arc initiative that involve London, EoE and South East, and there is the ongoing management of the Milton Keynes South Midlands and Thames Gateway Growth Areas. There are important links with the South West on Transport and probably also on understanding migrations. While it may not be easy to square protection of the valued characteristics of the rural South East with advocacy of global style growth, it will remain a continuing challenge. The need to have a shared understanding of the balance between economic growth, housing development and protection of the environment and the countryside will become increasingly important to address these matters effectively.

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