

TITLE:	North East of England Regional Spatial Strategy: Proposed Changes
TO/ON:	Executive – 8th July 2007
BY:	Director of Environmental Services
PORTFOLIO:	Environment
STATUS:	Report

STRATEGIC FACTOR CHECKLIST

The Council's Corporate Management Team has confirmed that the Strategic Factor Checklist has been applied to the development of this report, and there are no key issues, over and above those set out in the body of the report, that need to be brought to Members' attention.

1 SUBJECT MATTER AND PURPOSE

- 1.1 The purpose of this report is to inform Members of the Proposed Changes to the North East Regional Spatial Strategy (RSS) published for public consultation by the Government Office for the North East (GONE) on behalf of the Secretary of State on the 29th May 2007. The Proposed Changes have a number of implications for Derwentside and it is recommended that a robust response be made.

2 BACKGROUND

- 2.1 Members may recall a report on the Submission Draft RSS in October 2005 when a number of formal comments were made in response to the North East Assembly's (NEA) consultation.
- 2.2 An Examination in Public (EiP) was held in March/April 2006, which considered the Council's and other representations. The Panel's Report, which sets out recommendations based on the evidence given to the Panel and the discussions at the EiP, was published in August 2006. Although there was no formal process for submitting comments at this stage, the Council was so concerned by some of the Panel's recommendations that a letter outlining these concerns was sent to GONE. The principal areas of concern were:
- too much emphasis on the regeneration and growth of the conurbations and a lack of recognition of the contribution that County Durham could make to the renaissance of the north east,
 - employment and housing constraint within Derwentside may reduce our ability to sustain our existing communities and meet their needs and aspirations. More of our residents will be expected to commute to the conurbations as local job opportunities will be limited,
 - the housing allocation of 3200 net new dwellings in Derwentside from 2004-21 would not meet the needs of existing residents and would prevent the Council from providing much needed affordable housing and

using new housing to regenerate some of our more deprived communities, and

- there were major concerns over the accuracy and assumptions used in the population model that the Regional Assembly has used to generate the housing allocations used by the Panel.

2.3 In order to further ensure that GONE were aware of the concerns of Derwentside and the other County Durham authorities a 'manifesto' was prepared and launched by the County's MPs in February of this year, the contents of which, closely followed the concerns Derwentside had previously expressed.

2.4 Although the Submission Draft RSS was prepared by the North East Assembly (NEA), as the Regional Planning Body, GONE is responsible for producing the Proposed Changes and must have regard to the recommendations of the Panel but is not bound by them. Due to the nature of some of the Panel's recommendations GONE have decided to have a two-stage consultation on the Proposed Changes. The first stage will be ten weeks, and during this time further supplementary information will be sought from NEA in the following areas:

- the implications on the RSS housing allocations of the revised population projections published by the Office for National Statistics in October 2006 and the revised Household Projections published by the Department for Communities and Local Government in March 2007, and
- the current status of the major employment sites that the Panel recommended for deletion.

2.5 Following the first stage, the additional information and the views received will then be considered and a further eight-week consultation will be held to give all concerned an opportunity to consider any further changes that may have been made as a result.

2.6 Following consideration of the responses to this second round of consultation on the Proposed Changes the final RSS is expected in early 2008.

3 KEY ISSUES FROM THE PROPOSED CHANGES FOR DERWENTSIDE AND COUNTY DURHAM

City Regions

3.1 The Proposed Changes continue to focus future development in the conurbations of Tyne & Wear and Tees Valley. There is some recognition of the importance of regenerating other areas within the City Regions but only if this does not impact on the Conurbations. This may have some detrimental outcomes such as increasing long distance commuting and congestion by concentrating major employment sites in the conurbations.

Regeneration Areas

3.2 The Panel were critical of what they perceived as a "blanket approach" to Regeneration Areas in the Submission Draft and recommended the

identification of more specific regeneration priorities. They were also concerned that development in the regeneration towns should meet local needs only (not aspirations) and not adversely impact regeneration initiatives in the conurbations. The Proposed Changes accept these arguments and Policy 6 (Tyne and Wear City Region) is therefore amended accordingly. There is however, no change to the identification of regeneration areas; Consett and Stanley are still identified as Regeneration Towns; and the Durham Coalfield Communities Area is still identified as a regeneration area where rebalancing the housing stock and meeting local housing needs is a priority.

Employment

- 3.3 The Proposed Changes have followed the Panel's recommendation to delete the strategic reserve sites at Heighington Lane West and South of Seaham although as mentioned in paragraph 2.4 above GONE have requested more information on the current status of these sites.
- 3.4 Policy 18 (Employment Land) restates that Derwentside needs no further employment land in addition to the 105 hectares that was available at the beginning of the RSS period in 2004. There is therefore a presumption that any identified need for employment land is met by regenerating and upgrading existing employment land and premises in advance of allocating new sites on greenfield land.

Housing Allocations

- 3.5 At the Examination in Public the County Durham Authorities presented a united case, accepting the Submission Draft 20,000 housing allocation to the sub-region as a minimum, but seeking an early review to the distribution post 2011. Unfortunately the Panel, despite increasing the Regional total from 107000 to nearly 112000 net new dwellings over the period 2004-2021, actually reduced the total for County Durham to 19,000 or 17% of the Regional total compared to 20% in the Submission Draft. Derwentside's housing allocation also fell substantially from a total of 4250 to 3215.
- 3.6 The Proposed Changes include all of the housing allocations exactly as recommended by the Panel. However, as mentioned in paragraph 2.4 above, GONE have requested a revised housing distribution from the NEA. The NEA, anticipating this request, has already started work on a revised distribution. Table 1 below shows the distribution that the NEA is likely to submit to GONE compared to the distribution in the Submission Draft and the Proposed Changes/Panel report distribution.

Table 1

District/ Sub-Region	Submission Draft	% of Total	Proposed Changes	% of Total	NEA Distribution	% of Total
Chester-le-Street	1785	8.9	1540	8.1	2000	8.5
Derwentside	4250	21.3	3215	16.9	4580	19.5
Durham City	2975	14.9	3220	16.9	3800	16.2

Easington	2975	14.9	2735	14.4	4000	17.0
Sedgefield	3995	20.0	4930	25.9	4380	18.6
Teesdale	1190	6.0	1320	6.9	1260	5.4
Wear Valley	2805	14.0	2080	10.9	3480	14.8
Durham	19,975	19.7	19,040	17.0	23,500	18.3
Tees Valley	29,070	27.2	33,145	29.6	35,700	27.8
Northumberland	13,005	12.1	13,235	11.9	15,000	11.7
Tyne & Wear	44,965	42.0	46,450	41.5	54,300	42.3
Total	107,015		111,870		128,500	

- 3.7 These figures have been endorsed, informally, by all County Durham authorities and the three sub-regions of Durham, Northumberland and Tees Valley. The Tyne & Wear authorities are insisting on a lower Regional total and larger proportion of that total to be allocated to them. However, the Management Team of the NEA has also approved the figures and a special plenary session for NEA members is to be held on the 16th July where it is expected the figures will be approved for submission to GONE.
- 3.8 One other important change to Policy 30 (Dwelling Provision) is the inclusion of the following statement 'District Allocations set out above should not provide the justification for the refusal of windfall housing proposals that fall within the guidance set out for Strategic Housing Land Availability Assessments (SHLA)'. As the guidance for SHLAs has not yet been published this is slightly ambiguous but it is likely to be referring to sites that are both in a sustainable location (eg in the main towns) and on previously developed land.

4 COMMENT

- 4.1 The continued emphasis of the RSS on the Conurbations will limit the contribution that County Durham can make to the future growth of the Region and restrict the County's ability to secure new investment and achieve its own economic regeneration. It is acknowledged that the Conurbations do have special economic qualities and are in need of regeneration. However this regeneration should not prevent other areas also securing the regeneration and development they require.
- 4.2 It is clear that the housing allocations in the Proposed Changes to RSS will have a significant impact on the future development of Derwentside. With the number of dwellings completed since 2004, those under construction and those currently with planning permission there is already over 1000 more dwellings committed than the total allocation from 2004-2021. The Council will therefore have severe difficulty securing new affordable housing and promoting housing that is of high quality design and energy efficient through Local Development Framework policies. It would also restrict the use of new housing development to regenerate the District's communities.
- 4.3 The Council should therefore make strong objections to the housing allocations in the Proposed Changes. In addition the Council should give its

support to the housing allocations being proposed by the NEA as a more credible and robust set of figures that will allow all District's to contribute to an effective spatial strategy for the North East.

- 4.4 It is also essential that an early review of RSS is undertaken following adoption to enable it to take account of the Strategic Housing Market Assessments soon to be undertaken across the region and which are likely to have major implications.

5 RECOMMENDATIONS

- 5.1 The Executive is recommended to:
- i) Agree to submit comments to GONE objecting to the housing allocation for Derwentside in the Proposed Changes and supporting the housing allocations proposed by the North East Assembly.

For further information contact Mike Allum, Principal Planning Officer, Telephone: 01207 218278 or E Mail: m.allum@derwentside.gov.uk