

**Matter 5A/ Government Office for the South East of
England (7447)**

Draft RSS for The South East of England -The South East Plan
Examination in Public - November 2006 to March 2007
Written Statement on behalf of HM Government - October 2006

5A.1 Should the draft RSS include indicative employment growth targets or employment land/ floor space targets?

1. Government's core indicators for regional planning include a number of indicators relating to employment land provision. ⁱ Draft RSS monitoring framework has identified output indicators relating to employment/ employment land provision to reflect these, but at present these are not linked to any targets or any bench marks. Indicators monitored against targets would facilitate a more objective-led approach that would strengthen the ability to measure the effectiveness of policy RE2.
2. In setting any employment targets one needs to be aware of inappropriateness of over exactitude. Employment forecasts are subject to substantial variability and key drivers of employment growth and uncertainties associated with them are not controlled by the RSS or the Planning regime. It is, therefore, important that that these targets are set as indicative rather than as policy targets.
3. In our statements on 1G and 1H, we commented on the need for clarity and consistency with regard to draft RSS employment expectations at both regional and sub-regional levels. We have also highlighted the importance of a broad alignment between employment and housing growth. Setting indicative employment targets for Policy RE2 would go some way in addressing these concerns. The Panel may wish to consider whether there are any sub-regions or other spatial areas where there is a justification to express these in the form of aspirational targets. Where sub-regional targets are already included in the draft RSS, the Panel may wish to explore whether they are based on evidence-based assessments as advised by the Government's Good Practice Guide on Employment Land Reviews.

5A.2 Does the draft RSS provide appropriate guidance on the scale and location of employment land needed (Policy RE2 and sub-regional strategies)? Should strategic employment sites be identified (section D2, para 3.1)?

Policy RE2 Employment and Land Provision

1. This policy adds little regionally specific value to policy on employment uses set out in national policy statements and guidance in PPS1, PPG4, PPS6, PPS11, and PPG 13. On this we also refer to our

comments in our previous representations on RE2, relating to lack of regional specificity and clarity.

2. The Government's guide *Employment Land Reviews: Guidance Note* identifies employment land reviews as an integral part of the preparation of Regional Spatial Strategies. RPBs need to take a leading role in co-ordinating such reviews ensuring methodological consistency of economic forecasting and translating these into land requirements and in monitoring. The Panel may wish to explore the extent to which SEERA have met the PPS11 requirements and any implications arising from their approach.
3. Policy RE2 could usefully indicate overall land requirements in the region for employment uses, and it would be helpful if all of the sub-regional sections could indicate land requirements for those areas. We would expect to see a correlation between the overall floorspace and the sub-regional employment forecasts.
4. However, we understand that there are gaps in the information on employment floorspace requirements so it may not be possible, in this RSS, to meet the expectations of the Government's guidance. Local planning authorities will need to assess floorspace requirements as they prepare their LDFs. In doing so, and given the absence of a regional strategy for employment land, LPAs will need to work closely with the Regional Assembly and neighbouring authorities to ensure that cross-boundary issues are taken into account. We encourage the Panel to ensure sufficient steer to enable this.
5. Government policy (PPS6) also requires the RSS to set out the overall need for additional floorspace for office development, over the Plan period, and for five-year periods within it. It should also identify where the needs would best be met"
6. **Policy RE2 could usefully make a distinction between different types of employment land uses** in order to take account of the requirements of national policy set out, for example, in PPS6: *Planning for Town Centres*. Currently RE2 does not distinguish between town centre uses, such as offices, and other employment uses, such as industrial, which are subject to different national policy approaches. For example, with regard to point(iii), it may not be sustainable to intensify the use of a site just because it is already developed. The plan should make it clear that the use of existing sites will be intensified where the proposed use is suitable in terms of accessibility and other material considerations.
7. The plan could usefully clarify what is meant by the phrase "where appropriate" in point (v), It may not be appropriate to locate mixed use development that would include major travel generators in areas with limited accessibility by a choice of transport modes.

8. It is not clear what is meant by the statement that “Accessible and well-located industrial and commercial sites should be retained where there is a good prospect of employment use.” Whilst we would not disagree with the general principle in this policy, it could usefully indicate over what sort of period the local planning authority should forecast. Does it mean that the site should be retained if there is a good prospect of employment use in 5, 10, 15, 20 or more years? Does this policy add anything to what is said in paragraph 42 (a) of PPG3, which advises that the appropriate period should be the plan period?
9. It is not clear what is meant by the term ‘positive benefits’ in terms of the policy on supporting agricultural, horticultural and forestry activities, and rural economic diversification and non-land based business proposals in towns and villages or on farm sites. It would be helpful if this policy could give a steer for local planning authorities on what these positive benefits might be. We would expect that planning authorities would need to guard against major developments in unsuitable locations, such as major travel generators in isolated locations, or developments in nationally designated areas (as defined in PPS7), except in exceptional circumstances

Sub-regions and rest of sub-regions:

10. In some cases, South Hampshire for example, floorspace figures have been given for industrial and office development for the Strategic Development Areas, which is helpful and will usefully inform the preparation of LDFs. This approach had not been applied across the various sub-regions. In the areas where sub-regional numbers have been expressed, they appear to be out of step with the overall trends and numbers for the region as a whole and do not seem to align in any obvious way with housing (Government statement on IG). We therefore would like to be reassured of the internal consistency within the draft RSS.
11. Some important employment locations such as Banbury, Winchester and Maidstone, remain outside sub-regions. Some small towns and rural settlements may also have clear needs for small scale employment development to support their long term economic vitality and sustainability and the thrust of the RSS policy needs to recognise this. We encourage the Panel to consider areas outside as well as those inside sub-regional boundaries in assessing provisions for employment.

Strategic employment sites

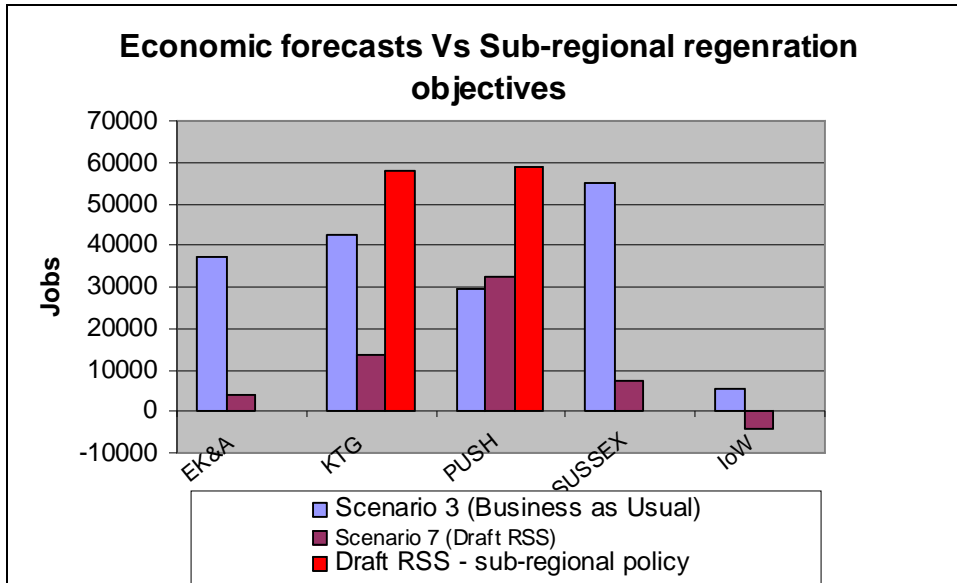
12. PPS11 (Annex A p40) states, that sites should not be identified in RSS. Instead it should confine itself to identifying regional or sub-regional priorities/priority areas; advising on the need for and general location of any simplified planning zones; and via criteria or broad locations

facilitate the development of sufficient sustainable sites to meet business needs.

13. Guidance on Employment Land Reviews indicates that RSS needs to assess the needs for and availability of strategic sites; while district DPD's allocate sites. We draw the Panel's attention to our concerns relating to Policy EKA7 -East Kent and Ashford Sub-region (references to Pfizer, Dover and Wye Campus, Ashford) as outlined in relevant sub-regional matters.
14. With regard to establishing the broad location of major new inward investment sites or criteria appropriate to locating regionally or sub-regionally significant business uses, the Panel may wish to consider whether:
 - some or all LPAs in the South East 'need' such a strategic framework
 - the RSS could go further in identifying broad locations in the form of areas of search and/ or town and centres in specific sub-regions
 - the RSS could identify areas where local planning authorities are encouraged to work together to identify strategic employment sites of regional and/or sub-regional significance in LDDs
 - the role of town centres as employment locations could be clarified and strengthened
 - the RSS could widen the support for clusters, and
 - the RSS could support the location of international corporate headquarters to help maintain the South East's leading economic position to the benefit of the national economy.

5A.3 Does the draft RSS provide appropriate guidance to deliver regeneration in those areas that need it? How successful are the tools set out in Policy CC9 and RE5 likely to be in reducing intra regional disparities?

1. We discuss in some detail our concerns about the potential negative implications of draft RSS economic and housing policies needed to revitalise parts of the region that have been under performing in our statement on1G.



2. We are concerned that the economic realities underpinning draft RSS may be in conflict with draft RSS regeneration objectives. Draft RSS approach to economic growth, as indicated in SEERA's Scenario 7 employment forecasts, implies a reduction of regional employment by one-third (221,443 jobs). In Kent Thames Gateway, East Kent and Ashford, Sussex Coast and Isle of Wight, the scenario7 forecast implies a substantial dampening of demand for labour compared with trend based / BAU forecasts. We urge the Panel to examine whether the draft RSS approach to economic growth:

- reduces the ability to appropriately implement Policy RE2?
- is likely to reduce rather than improve the access for low-skilled, low-paid, low-status workers to the labour market?
- risks undermining the objectives of Policy CC9 by not taking a pro employment approach to growth?

3. We would also suggest that the Panel might consider:

- whether the RSS should give stronger strategic guidance on action to achieve regeneration objectives in the light of the need to counter slower economic /employment growth prospects indicated by forecasts especially for the post 2016 period. A long lead time may be required for ensuring any corrective /preventative action in delivery areas.
- the role of aspirational employment targets in encouraging economic growth in Sussex Coast, Thames Gateway Kent, East Kent and Ashford, Isle of White and South Hampshire sub-regions .

- How the RSS could better support realistic and ambitious skills development strategies targeting areas in need.
- Whether the RSS should provide stronger strategic guidance to encourage sub-regional working in developing local development framework input to regeneration?
- Whether there is any scope to identify or promote any strategic sites that can provide necessary impetus for regeneration

ⁱ [Core Output Indicators for Regional Planning \(PDF 112 Kb\)](#) 

Published March 2005.