The Regional Policy Framework
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This section of the Plan is structured into two sections. The first part consists of those policies that cover themes that apply to all aspects of the Plan, within the framework of the overall vision and core strategy. They can therefore be described as ‘cross-cutting’.

The second section sets out the policies for specific topic areas. In both cases, the policies will also be supported by statements on indicators and implementation, although these elements are still under development for the cross-cutting policies.

The cross-cutting policies all relate to the analysis, debate and evolution of the Plan parameters in the context of the Integrated Regional Framework. They are divided into two parts:

Part A – Cross-cutting Issue Policies
Part B – Cross-cutting Spatial Policies

In order to fulfil the Plan strategy and vision, local planning authorities and other agencies should adopt positive and creative approaches to land and resource management, so as to conserve resources, increase efficiency and raise standards.

In recent years, the evidence that significant climate change is occurring on a global scale has become increasingly compelling. These changes will particularly affect England, and research suggests that the South East could be more affected by these changes than other regions. The precise impacts of climate change are not yet clear, although there will be some opportunities as well as problems. It is however already evident that climate change will particularly affect many facets of development and land use. The Plan is therefore put forward in this context, and on the basis that measures for mitigation and adaption relating to climate change will increasingly need to be identified and acted upon over the Plan period. Further research is being undertaken by the Assembly on this topic.
Resource Use

1.6 The Plan places a considerable emphasis on increasing the efficiency of resource use, especially natural resources such as water, energy and minerals. Consumption per head needs to stabilise and begin to reduce over the Plan period. New development needs to adopt increasingly rigorous standards to reflect a movement towards sustainable construction, using more recycled materials, producing less waste and consuming less water and energy per unit. But the focus must not be simply on new development. Existing development will also need to follow the same themes, taking advantage of opportunities afforded by renewal or upgrading.

1.7 Adaptions of lifestyle will also need to accompany these development changes. Attitudes towards consumption of energy and the production of waste, for example, are probably more important drivers of change than physical development. Over the Plan period, we will need a gradual but sustained ‘step change’ in public and business attitudes and behaviour.

Infrastructure and Implementation

1.8 As the vision and core strategy make clear, the timely provision of infrastructure is a fundamental tenet of the Plan. This will require improved delivery arrangements compared with the past, the creative assembly of public and private resources and a sustained effort. While much can be achieved through regional and local action, the support and encouragement of central Government will also be vital. Under the new legislation, the Plan needs to include an Implementation Plan, and this will be an important framework to foster, and indeed require, effective delivery by all agencies.

POLICY CC2: CLIMATE CHANGE

The strategy and policies of the Plan will have regard to the opportunities and threats posed by climate change and seek to support an implementation programme of mitigation and adaption. As knowledge of climate change issues and the scope for effective action improves, the policies and programmes of the Plan will be periodically reviewed to ensure compatibility is sustained.

POLICY CC3: RESOURCE USE

Over the Plan period, per capita use of natural resources will stabilise and begin to reduce, supported by increased efficiency of resource use in new development, the adaption of existing development, the extensive use of sustainable construction techniques and corresponding changes in public attitude and behaviour. Relevant authorities will achieve a stabilisation of consumption of resources and aim for a reduction in absolute levels of consumption in the long term, with an aim to stabilise the South East ecological footprint by 2010.

In particular, authorities should require Eco-Homes ‘very good’ as a minimum standards for all new housing and adoption of BREEAM ‘very good’ standards in all new commercial developments.

POLICY CC4: INFRASTRUCTURE AND IMPLEMENTATION

The scale and pace of land release for new development will be dependent on there being sufficient capacity in existing infrastructure to meet the area’s current needs and will be related to the provision of new transport and other infrastructure to meet the needs of new development.
1.9 In the context of this emphasis on effective implementation and infrastructure provision, coupled with better resource use, it makes sense to look for opportunities to facilitate delivery through sympathetic land ownership and potential funding. The South East region has a substantial portfolio of Government land, particularly land held by the defence and, to a lesser extent, health sectors. The region’s geography and history means that the scale and distribution of defence land and property is of particular significance. Reviews of health sector lands have been undertaken and strategic land releases are under way, with land transfers to English Partnerships.

1.10 The Ministry of Defence has also embarked on a fundamental, long-term review of its operational requirements and landholdings. It is already evident that this review will lead to the release of significant land and property holdings across the region. Some of the sites are of little or no potential relevance for development, because of their location and character. Others however offer considerable potential, and the scale of likely release over the Plan period makes the issue of strategic importance. Where such sites have potential, their public land ownership could assist both implementation and the forward-funding of necessary infrastructure, in order to achieve high standards of development. It is important that the overall release of land is conducted and managed effectively, working with the Assembly and local authorities, so that effective long-term management arrangements are put in hand for both the non-development and development sites.

**POLICY CC5: USE OF PUBLIC LAND**

Government departments and public landowners, especially the Ministry of Defence, should identify land and property for disposal and development/re-development. They should agree an overall disposal implementation and management strategy with the Regional Assembly for sites of regional significance, covering both development and non-development sites. This regional co-ordination should be supported by the development of local disposal arrangements working with the relevant local authority and other parties. Local authorities should facilitate and support such arrangements through positive provision in Local Development Documents.
Part B – Cross-Cutting Spatial Policies

Inter-regional Connectivity

1.11 The South East region is large and diverse, but it also cannot be viewed in isolation. In some parts of the region the relationship, in both spatial planning and other terms, to the adjoining areas of neighbouring regions is crucial and, in some cases, it is likely to evolve and grow in significance over the period of the Plan.

1.12 The foremost inter-relationship is, of course, with London. The economic, travel and housing connections between the two regions are of great importance to the South East. London creates demands on the South East for services such as water and waste facilities, as well as housing. London in turn provides economic opportunities and wealth creation for this region, notably in central London. Business and other relationships between the two regions are dynamic and already showing elements of change, with journey to work routes growing more complex and, in areas such as the Western Corridor, increasingly multi-directional. Further research into potential changes in these patterns is being undertaken, and will inform the next stages of work in the relevant sub-regional studies, as well as regional policy. But it is already clear that the links with London will remain a central issue.

1.13 The relationship with other regions is less powerful, but will be of growing significance in respect of the two major Growth Areas that straddle the regional boundary – Thames Gateway and Milton Keynes/South Midlands. These Growth Areas need to be planned and developed in a co-ordinated and integrated manner, and to varying degrees mechanisms have been established. They involve London and East of England regions in respect of the Thames Gateway, and East of England and East Midlands regions for Milton Keynes/South Midlands.

1.14 Research for this Plan has indicated that existing links with the South West and Nord-Pas de Calais regions are less significant than was originally envisaged. They nevertheless need to be taken into account, especially as they may grow in significance over the Plan period. Links with the West Midlands are also of limited significance, and here the scope for change appears modest. This growing pattern of regional interplay is consistent with the polycentric thinking of the core strategy.

Urban Focus

1.15 Future development in the South East should be focused in and around urban areas, in order to make best use of the region’s valuable and finite land resource. Intensifying the use of urban areas offers many benefits in terms of maximising the viability of existing infrastructure and service provision at the same time as protecting the countryside of the South East. It can help to enhance the viability of public transport infrastructure through the increase of populations within catchments served by rail and bus services. Potential benefits in terms of sustaining established service provision range from community services such as education, health, social and cultural facilities, to water and energy supply. The
Plan has been developed on this basis and, to assist in its delivery, a set of sub-regions have been defined, where a package of policies and proposals will reinforce this urban emphasis.

**POLICY CC7: URBAN FOCUS**

The prime focus for development in the South East should be urban areas, in order to foster accessibility to employment, housing and services, and where it will make effective use of limited land resources.

Local planning authorities should formulate policies to:

i. concentrate development within the region’s urban areas

ii. seek to achieve at least 60% of all new development in the South East on previously developed land and through conversions of existing buildings

iii. ensure that developments in and around urban areas, including urban infill/intensification and new urban extensions are well designed and consistent with the principles of urban renaissance and sustainable development

iv. use urban potential studies to identify the scope for redevelopment and intensification of urban areas, maximising opportunities for intensification around transport hubs and interchanges, as defined in the Regional Transport Strategy.

**Spatial Emphasis**

1.16 Within the overall strategy and urban emphasis, the Plan also differentiates spatially between four principal policy components, each of which carries a distinct development and management connotation. They are:

i. Growth Areas – designated by the Government and identified in the existing Regional Guidance. These areas are Milton Keynes and Aylesbury Vale, Kent Thames Gateway and Ashford.

ii. Regeneration areas – the present PAER (Priority Areas for Economic Regeneration) title is clumsy and the designation is insufficiently focused, covering too large an area, diffusing efforts and the limited resources available. Partly reflecting this, the Area Investment Framework programme developed by SEEDA currently covers no less than 40% of the population of the region. It is therefore proposed that the regeneration designation should be much more focused on the coastal towns and other parts of the region with clusters of deprivation that are significant (i.e. reflecting areas defined as in the worst 20% nationally as defined by the Index of Multiple Deprivation 2004). In some cases, they are covered by Growth Areas and all these clusters are covered by the proposed sub-regions in the Plan.

iii. Areas of economic opportunity – existing Regional Guidance is unclear about areas with economic pressures and potential that are not in the Growth Areas. References to the west of the region are ambiguous and spatially indistinct. In terms of the...
Plan’s sub-regions, the areas with the most significant economic potential and concomitant development needs are the Western Corridor and Blackwater Valley, South Hampshire, Central Oxfordshire and the London Fringe. It is for further debate how far and in what way those potentials are realised in spatial and development terms, but they now need to be more clearly acknowledged in the Plan.

iv Sub-regions – in order to give effect to the overall strategy, reflect the spatial components already identified, including the overall emphasis, and provide sufficient guidance for LDDs, other strategies and effective delivery, a suite of sub-regions has been defined and developed. The sub-regions are defined in the map CC1 (see opposite).

POLICY CC8: SPATIAL EMPHASIS

To reflect the overall strategy and urban emphasis, the following policy designations are proposed. The defined sub-regions will incorporate an appropriate emphasis on the growth, regeneration and economic opportunity areas in an integrated package of policies and proposals, reflecting a clear long-term development strategy for the sub-region. The sub-regions are shown on map CC1 and are:

i South Hampshire
ii Sussex Coast
iii East Kent and Ashford
iv Kent Thames Gateway
v London Fringe
vi Western Corridor and Blackwater Valley
vii Central Oxfordshire
viii Milton Keynes and Aylesbury Vale
ix Gatwick.

The Isle of Wight is designated a Special Policy Area due to its island status and particular problems.

The other designations are:

i Growth Areas – Milton Keynes and Aylesbury, Kent Thames Gateway, Ashford – where major growth has been agreed.
ii Regeneration areas – Kent Thames Gateway, Milton Keynes, East Kent, the Sussex Coast (from Shoreham to Rye, including Brighton and Hove and Hastings), South Hampshire, the Isle of Wight, Slough, Reading and Oxford – where a particular focus is needed on regeneration.
iii Areas of economic opportunity – the sub-regions of Western Corridor and Blackwater Valley, South Hampshire, Central Oxfordshire and the London Fringe – where planned provision needs to reflect potential and the development needs arising from economic expansion.

In some cases, appropriate delivery mechanisms and implementation arrangements to deliver this policy are in place. In other areas, they will need to be created or strengthened.

Green Belt and Strategic Gaps

1.17 The Government has confirmed its continuing commitment to the Green Belt as an instrument of planning policy, and consultation has confirmed very strong public support for the concept. Green Belts fulfil five main functions: to check the unrestricted sprawl of large built up areas; to prevent neighbouring towns from merging into one another; to assist in safeguarding the countryside from encroachment; to preserve the special character and setting of historic towns; and to assist in urban regeneration by encouraging the recycling of derelict and other urban land. All of these functions are consistent with the Assembly’s vision for the South East, and the Assembly considers that there is no case for any strategic review of green belt within the region. If there are any cases for small scale local review these can be pursued through the local development framework process.
MAP CCI
Sub-regional Strategy Areas
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For most of the region, Green Belt policy does not apply, but there can be a need to identify and protect strategic gaps or corridors between settlements, in order both to maintain identity and provide long-term strategic flexibility, for example in respect of public transport requirements. Gaps would, as with Green Belts, need to be defined through detailed local analysis, as part of the LDD process, but it could assist such designation if the principle and potential areas were set out in this Plan.

**POLICY CC9: GREEN BELTS AND STRATEGIC GAPS**

The existing Green Belts in the region will be retained and supported and the opportunity should be taken to improve their land-use management and access as part of initiatives to improve the urban-rural fringe.

Elsewhere in the region, the following gaps and corridors of regional significance will be identified by the Assembly, following further consideration and assent, and protected from inappropriate development. Further detail will be added following further work and analysis of the consultation responses on the draft Plan.
1.1 The Government’s definition of sustainable development includes the requirement to maintain high and stable levels of economic growth and employment. The planning system can support this objective through guiding development to locations that are sustainable in economic, social and environmental terms. This chapter sets out ways in which the development principles and spatial framework can support the prosperity and international competitiveness of the South East and its contribution to the national economy.

1.2 This chapter has been informed by research undertaken by the Economy Advisory Group of the Regional Assembly. The research projects include:

i Research into use of business space and changing working practices – Research into current trends and potential future changes in working practices showed that although traditional forms of employment dominate the market, the environment has provided greater opportunities for a range of flexible working practices. However, the research showed that the impact of changing working practices on employment densities is complex and taking place at a slower rate than anticipated.

ii The impact of loss of businesses to other countries (offshoring) on the South East economy – An input/output model informed by a literature review and interviews with businesses was used to analyse the effects of offshoring on the region. While there will still be considerable employment growth over the Plan period, the research showed that the direct and indirect effects of offshoring would lead to roughly a quarter less employment growth than shown in the Assembly’s economic forecasts, discussed further in paragraph 6.4.16 of Section A.

iii Spatial requirements of key sector industries in the South East – Ongoing research into the key regional sectors identified in the Regional Economic Strategy (RES) and an assessment of the implications for the supply of employment land across the region.

iv Home Based Businesses in the South East – Ongoing research commissioned by the West Sussex Enterprise Centre and sponsored by the Regional Assembly, SEEDA and local authorities in Sussex into the profile and needs of home based businesses. Random samples of 1,000 households were contacted in each of seven districts in Sussex and Thanet and Oxford. The results of the survey showed that the districts had between 3.3 and 5.6% of households with home based businesses.

1.3 The South East’s proximity to London and good access to international markets plays an important role in the national economy. The region has a network of world-class universities and research institutions. Many of the world’s leading companies have invested in the South East. It is strong in rapidly growing sectors such as business services, information and communications technology and biotechnology. The more traditional manufacturing sector is strategically important despite the low incidence of manufacturing businesses in the region. It has thriving arts and tourism sectors and a wide range of rural business activity. Of particular significance is that over 85% of the region can be described as rural and around 24% of businesses are situated in rural areas.
1.4 Beneath the headlines and averages, however, lie substantial variations in performance, and considerable concentrations of deprivation and exclusion, made all the more unacceptable by the prosperity surrounding them. For instance, on an absolute basis the South East has one of the largest number of excluded and deprived people of any UK region. Moreover, due to high cost of living in the region, the actual disposable income of its residents is not as high as suggested by macroeconomic data such as GDP per head or gross income.

1.5 The success of the South East must be benchmarked against an increasingly competitive global market. International comparisons with similar regions make the success less impressive, for example of the 40 most competitive international regions, the South East ranks 31st and 34th in terms of GDP per head and productivity respectively. The regional economy is facing relentless competition from two fronts; on the one hand from similar international regions for mobile high value added investment and on the other from low cost countries such as India and China.

1.6 Relative success of the South East comes with its own challenges such as labour shortages, lack of affordable housing and congestion of transport networks. Given the level of development in the region and pressures on its physical infrastructure and environment, a future development path offering ‘more of the same’ is not acceptable.

The Regional Economic Strategy (RES)

1.7 The RES for South East England 2002 to 2012 was published by SEEDA in 2002. It sets out how the economic performance of the South East can be improved. Government guidance states that the Regional Spatial Strategy (the South East Plan) should assist the implementation of the RES and that the RES must sit within the spatial planning framework provided by the Plan.

1.8 The RES sets a 10-year framework for economic development and aims that ‘by 2012 the South East will be recognized by all as one of the world’s 15 top performing regional economies, as measured against a broad range of economic, social and environmental indicators’.

1.9 It states clearly that the principles of sustainable development require that economic growth must be of a particular type, pattern and spread. It must be growth of a form that assists the region to achieve the objectives of sustainable development.

1.10 There is also a need to recognize differences in economic structures and opportunities in various sub-regions. In some parts of the region employment led growth is not an option while in other areas, such as coastal fringes, demand side intervention might need to go hand in hand with high value added growth to enhance employment in deprived communities.

Smart Growth

1.11 The RES introduces the concept of ‘smart growth’ driven by productivity growth and building on the South East’s competitive advantages; skills, creativity and knowledge and not cheap labour, land or other inputs. Smart growth is the cornerstone of the RES and comprises five objectives:

i Competitive businesses – a dynamic, diverse and knowledge-based economy that excels in innovation and turning ideas into wealth creating enterprise.

ii Successful people – a skilled, motivated, inclusive and highly productive workforce that anticipates and embraces change.

iii Vibrant communities – an inclusive society characterised by strong, diverse and healthy communities enjoying ready access to high quality jobs, education, homes, health and other services, and free from high levels of crime and discrimination.
iv Effective infrastructure – transport, communications, housing and health infrastructure that supports and enables continued economic growth and improved quality of life for all.

v Sustainable use of natural resources – environmentally efficient businesses and high quality development demonstrating the quality of the environment is a key asset that underpins economic success.

1.12 There has been anticipation that economic growth will be achieved through productivity gains. The five key drivers of productivity are skills, investment, innovation, enterprise and competition. By investing in the drivers of productivity, economic growth can be achieved without a necessary increase in employment levels. According to SEEDA, if the South East were to increase its productivity to match the average of the top performing 40 global regions, it will add an extra £40 billion (28% growth) to the economy, with very little extra pressure on physical infrastructure.

1.13 However, the concept of smart growth driven by productivity growth and little associated development is not entirely clear or proven. Key components of productivity growth include promoting flexible working patterns and building on the skills of our labour force rather than on demand for employment land. It is recognised that that whilst traditional forms of employment still dominate the market, the environment has provided greater opportunity for flexible working practices. The experiences of companies like BT show the benefits of introducing flexible working, and BT now has 70% of their workforce working flexibly and nearly 10% completely home based.

1.14 However, an increase in flexible working practices and the amount of work taking place outside the physical confines of the traditional workplace does not automatically translate into the need for less ‘workspace’ nor into a lack of labour demand, housing and infrastructure requirements. The changing economic structure requires different types of employment land and the Plan must make provisions for flexibility in this regard. Also, there is a tight labour market in many sub-regions of the South East, reflecting an absolute need for more workers. There is also widespread concern about growing skills shortages and skills gaps in many sectors.

1.15 There is therefore a need for more clarity and realism about smart growth, but it does also demonstrate the need to reflect changing living and working patterns as part of the drive for increased productivity. We will need this productivity increase, smart growth if you like, as well as further development, not instead of it, in an increasingly competitive global context.

Sustainable economic development

1.16 The focus of this Plan is to address the underlying drivers of sustainable economic development. The objective is to exploit untapped potential in all parts and
communities of the South East through addressing deprivation as well as maximising the potential of successful areas. As outlined above, the key drivers of productivity are skills, investment, innovation, enterprise and competition. These drivers can be influenced as follows:

i  **Skills**
   a  flexibility of provision of new or enhanced institutions/facilities
   b  accessibility to these facilities

ii  **Innovation**
   a  provision of innovation centres and related facilities
   b  access to these facilities

iii  **Enterprise**
   a  incubation space provision
   b  enterprise Hubs/Gateways/Clusters

iv  **Investment**
   a  infrastructure investment (transport/housing)
   b  flexibility to allow for transformation of employment land to suit market requirements
   c  inward investment – suitable floor space

v  **Competition**
   a  the competition environment is set nationally and hence is not a driver the South East Plan can influence except by raising awareness of support services.

1.17 Manufacturing and service industries (especially the knowledge-based sector) are making a significant contribution to the local, regional and national economy, with a significant number based from home. Attention should therefore be given to developing and sustaining a vibrant and diverse range of economic activities that help meet local employment and service needs whilst contributing to the social and environmental fabric of both urban and rural areas.

### POLICY RE1: SUSTAINABLE ECONOMIC DEVELOPMENT

Local Development Documents will allocate employment land to provide a range of sites and premises to meet the needs of new business start-ups, growing businesses and inward investors based on the following criteria:

i  locations that minimise commuting and where the maximum use of public transport can be made

ii  locations which intensify the use of existing sites

iii  prioritisation of previously developed land

iv  focus on urban areas

v  promotion of mixed use development

vi  locations which promote more sustainable communities

vii  locations which promote a closer relationship between jobs and existing and proposed labour supply

viii  locations which minimise loss or damage to environmental capital.

Local Development Documents should be supportive of the agricultural, horticultural and forestry industries, and rural economic diversification and non-land based business proposals in towns and villages or on farm sites where applications show positive benefits, based on clearly defined criteria and evidence-based assessments.

#### Supporting Sectors

1.18 The second driver of productivity, innovation, can be supported through acknowledging the important role of the development of networks and through enhancing links between companies and research and development. There are a number of dynamic emerging sectors which could broaden the South East economic base and encourage economic growth.
1.19 A description of regionally significant sectors, their location and key requirements will be added once the findings of research commissioned by the Assembly on this issue are available.

1.20 As outlined above, research showed that offshoring will continue to account for job losses in the South East. In response to offshoring, the South East economy will have to move up the value chain. It will need to concentrate its expertise and create centres of excellence in specific areas such as pharmaceuticals, advanced engineering and aerodynamics. This will not only keep companies from offshoring, but may well capture business from companies in other developed countries looking to move overseas.

**POLICY RE2: SUPPORTING SECTORS**

Local authorities should promote regionally significant and locally important sectors and clusters as they evolve, taking into account recommendations of SEEDA and local economic partnerships.

Regional development agencies, business support organisations, higher and further education establishments and others should maximise the potential of the sectors and clusters through promoting a culture of innovation and establishing centres of excellence in key industries as they evolve.

**Human Resource Development**

1.21 Labour market trends and processes influence the character and competitiveness of, and prospects, for the region. Indeed regional partners view skills as one of the key factors in improving productivity and that investing in skills brings long-term economic rewards for individuals, communities and organisations in the region. Human resource development can also ensure improvements in the following areas: innovation and enterprise, labour market exclusion and social deprivation and the capacity to use labour market information and intelligence.

1.22 The proportion of the population without qualifications ranges from 24% to 28% across the South East. The Labour Force Survey 2002 notes that almost 35% of all adults do not have a level 2 qualification\(^2\) and that the problem is greater for older workers and certain sectors (eg construction, manufacturing and other sectors using skilled and semi-skilled craft occupations). The skills challenge can also be tied to concentrations of deprivation which exist in the sub-regions. Despite the overall affluence of the region, pockets of high unemployment and groups of people that experience higher levels of inactivity remain.

1.23 Figure RE1 overleaf shows that there are sub-regional disparities in the proportion of the population with low, intermediate and high levels of skills across the region. Working age people in Hampshire and the Isle of Wight, Kent and Medway and Sussex are less likely to have high level skills than their counterparts in the north and west of the region. The Assembly will be seeking to provide further quantification of skills requirements at different levels and sub-regions where information is available.

1.24 Action South East is a partnership of organisations from across the skills, employment and business spectrum who have been working together to ensure the future success of the South East region by placing employment and skills centre stage. The Framework for Regional Employment and Skills Action (FRESA) set the South East region the challenge of identifying the key actions required to ensure a thriving labour market and looks into:

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**FOOTNOTES**

\(^2\) NVQ Level 2 qualification or equivalent.
i maintaining a sustainable supply of skilled labour at all levels in some of the highest employment rates in the country
ii meeting the skills needs of the knowledge economy
iii focusing on the less prosperous communities
iv providing access to employment and skills opportunities for the socially excluded groups.

1.25 **The National Skills Strategy – 21st Century** (July 2003), announced the formation of Regional Skills Partnerships (RSPs) as a key means of integrating activity on skills, training, business support and labour market activity in support of regional economic development. SEEDA on behalf of the Action South East Partnership submitted the Regional Skills for Productivity Alliance Proposal to Government in December 2003 in response to this challenge. The Alliance is developing Local Skills for Productivity Alliances in the six sub-regions covered by the local learning and skills councils. There will be a need to work through the Regional Alliance to ensure that spatial issues are addressed.

1.26 **Education, skills and employment** – agencies working on the demand and supply side of the labour market must work together to ensure a healthy labour market in which employers and individuals get effective help in meeting their skills needs, and in improving productivity and innovation in the sub-regions of the South East.

1.27 **Supporting learning and skills** – The continuous supply of skills in all sectors and occupations to meet demands at any point in time in future will be paramount. The high level of employment in most of the South East means that some of the skills requirements will be best addressed by engaging employers and individual employees. This will be particularly key for addressing intermediate and technician level skills shortages which occur across all sub-regions in the South East.

1.28 **Technical or intermediate level skills** – The region’s demand for technical or intermediate level skills (Level 3) will need to be met. Foundation degrees, with their emphasis on flexible delivery patterns, accessible progression routes and meeting the intermediate and higher level skills needs in the economy provide an appropriate vehicle for enabling the region to meet the skills need. Continued effort is needed in championing widening participation in learning and realising that participation through better access and enhancing the education and skills provision in the region is paramount.

### FIGURE RE1

<table>
<thead>
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<th>Skill Level by LSC Area (% of working age population)</th>
<th>Low (NVQ equiv 0-10)</th>
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<td>South East</td>
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Source: ASR 2001; after South East Skills Audit 2001/02 (figure 2e from Action South East, 2002, Framework for Employment and Skills Action)

### FOOTNOTES

1 Milton Keynes, Oxfordshire and Buckinghamshire; Berkshire; Surrey; Hampshire and the Isle of Wight; Sussex and Kent and Medway.
1.29 **Information advice and guidance** – The Regional Skills for Productivity Alliance will help to ensure that employers are able to recruit and retain individuals with relevant skills, knowledge, and attitudes to support and maintain productivity levels, competitive advantage and sustainable growth in the region. For individuals it means having access to high quality information, advice and guidance, quality education and training provision capable of meeting their needs and having access to fulfilling employment opportunities. Partners will ensure that there is understanding of the links between skills and affordable housing, skills availability and the capacity of the transport infrastructure.

1.30 **Removing barriers to employment** – The average employment rate in the region is high but the spatial distribution of employment regionally needs to be managed so that deprived neighbourhoods are lifted out of poverty. Skills can play a significant role in ensuring that individuals maximise job opportunities in their neighbourhoods. Appropriate learning infrastructure should be located in deprived areas and local people should be encouraged and supported to access these opportunities.

1.31 **Infrastructure for sustainable labour markets** – The overall proportion of affordable and non-market housing provision should be increased and maintained so that local labour markets are sustainable from the point of view of being able to support a full range of jobs in the private and public sectors.

1.32 **Knowledge economy and the dual labour market** – Forecasts and analysis show that there will be an increasing demand for more low skilled jobs in the service sector in all sub-regions of the South East due to rising disposable incomes and the ageing workforce. This is over and above the already high proportion of high-level skilled jobs. Even productivity-led growth is likely to result in this. This will require not only skills, but additional employment land for business services, retail, restaurants, hotels and leisure activities which partners need to plan for.

1.33 **The impact of offshoring** – As outlined above, research shows that offshoring would lead to less employment growth than suggested in the Assembly’s economic forecasts. It is estimated that between 100,000 and 225,000 workers will lose their jobs between 2001 and 2026 through the direct effects of offshoring. According to Government figures roughly a third of these will find work within existing vacancies. The remainder could require some retraining or upskilling to find work.

1.34 **Major corporations are likely to continue to maintain a presence in the South East, however, the proportion of the working population that they employ will fall from the present level of around 25%. The availability in the labour market of more skilled workers, displaced by offshoring, could provide a real impetus to Small and Medium Enterprises (SMEs).**
**POLICY RE3: HUMAN RESOURCE DEVELOPMENT**

Human resource development should be recognised as a central component in harnessing and promoting future economic success in the region. At present that human potential is unrealised for a significant proportion of the region’s population due to a lack of access to job opportunities and inadequate skill levels.

i Action South East should work with local employers, local authorities and local learning partnerships to ensure a healthy labour market in which employers and individuals get effective help in meeting their skills. Partners should focus on:

a) addressing intermediate and technician level skills shortages
b) addressing the need for quality information, advice and guidance on skills
c) addressing access to appropriate learning infrastructure in deprived areas
d) establishing support through retraining and upskilling for workers displaced through offshoring
e) encouraging SMEs to take on displaced workers as one way to create growth and innovation and to provide support to those displaced workers who want to start up their own businesses.

ii Further and higher educational establishments are vital to the success of training and education strategies in the region. The establishments need to plan for an increase in demand for higher education places and particularly to expand provision in the Growth Areas.

iii Development plans should include policies that ensure that sufficient and accessible premises are available (taking into account the availability of services/facilities in more rural areas) for training and education purposes to meet the requirements identified through the relevant strategies including the Regional Economic Strategy, the Framework for Regional Employment and Skills Action (FRESA) and those drawn up by Learning and Skills Councils and Lifelong Learning Partnerships.

A list of higher and further educational establishments which are required in the South East will be added following further work and analysis of consultation responses on this draft Plan.

Supply of Employment Land

1.35 As a densely populated and developed region, the South East has an extensive range of premises and sites. Factors such as changes in the fortunes of different sectors will affect the amount of space and location of premises demanded by businesses. This can lead to some sites being abandoned while elsewhere attractive landscapes may be under pressure for development. It is important to enable flexibility in the range of premises while at the same time ensuring better use is made of existing developed land.

1.36 It is anticipated that productivity gains may result in a need for less space for employment land. One factor in achieving this is flexible working practices. Research indicates that the impact of changing working practices on employment density is limited, except for some office-based employment activities with increasing ICT use.

1.37 Local authorities are encouraged to examine carefully the needs of their local economy for land and building, and to make provision that meets the requirements of the sectors and types of firms which exist and are suitable to the area, including warehousing, offices and light and general industry.

1.38 Technical studies will determine the minimum amount of land required to meet the needs of the workforce. Plans
should allocate some extra land to promote choice and flexibility, but should not identify a significant surplus of land. Local Development Documents will need to ensure that there is an adequate quantity and quality of employment land to meet the future requirements of the local workforce.

**Tourism**

1.39 The Assembly’s Proposed Alterations to RPG9 for Tourism and Related Sport and Recreation (‘Destination South East’) have been subject to extensive public consultation between 2002 and 2004, including a Public Examination in November 2003. The publication of final changes to RPG9 were published in November 2004. The final policies are reproduced below, however the Assembly is not seeking further consultation on these policies as part of the Draft South East Plan, unless otherwise stated.

**POLICY RE4:**
**SUPPLY OF EMPLOYMENT LAND**

Sufficient employment land should be made available in all areas to promote continued sustainable growth and diversity of the regional economy whilst promoting an urban renaissance and protecting the environment. A range of sites and premises should be provided to meet the needs of businesses and the local workforce now and in the future. More efficient use should be made of existing sites and premises which are not fully used because they are unsuited to modern business needs.

Development plans should resist the loss of existing suitably located industrial and commercial sites to other uses where it is justified by local economic and employment evidence in areas where there is a need to protect the existing stock of premises and reduce the extent of new land allocations.

In addition SEEDA, local economic partnerships and other key representatives of business interests should liaise with local planning authorities to ensure provision will meet the varied property requirements of businesses for a range of suitable, available sites and premises (including starter units) in accessible locations.

An indication of the amounts of employment land which should be provided for some sub-regions and/or sectors will be added following further work and analysis of consultation responses on this draft Plan.

**POLICY TSR1:**
**COASTAL RESORTS**

Opportunities should be sought to diversify the economic base of the region’s coastal resorts, while consolidating and upgrading tourism facilities in ways which promote higher value activity, reduce seasonality and support urban regeneration. To meet these objectives:

i Local strategic partnerships (LSPs) covering coastal resorts are encouraged to establish a vision and strategy for the future of tourism in their area and its contribution to wider regeneration objectives. Where appropriate, this should be undertaken in co-operation with neighbouring LSPs which together form an integrated tourism market.

ii Development plans (and/or supplementary planning guidance) should address the spatial dimensions of an agreed vision for tourism and identify ‘core areas’ and associated policies for tourism in coastal resorts to which specific tourism related planning policies apply for the purposes of:

a controlling inappropriate development

b co-ordinating management and environmental initiatives

c setting environmentally sustainable development objectives
**POLICY TSR3: REGIONALLY SIGNIFICANT SPORTS FACILITIES**

Opportunities should be sought to protect, upgrade and develop new regionally significant sports facilities, particularly in Thames Gateway, Milton Keynes/Aylesbury and Ashford.

**i** Development plans should make adequate provision for new or expanded regionally significant sporting venues to redevelop or expand to meet future demands and requirements of the sport and of the spectator, taking into account sports governing bodies’ needs strategies as they become available.

**ii** Sport England should be proactive in advising the Regional Assembly and local authorities on the need for new or expanded regionally significant sporting venues.

**iii** Local authorities should be proactive in maximising the benefits to local communities of any major or expanded sporting facilities.

**iv** Regional partners, including Sport England, SEEDA and the Regional Assembly, should in partnership with the Greater London Authority identify and promote opportunities for new investment in sports facilities in the region which may be needed to underpin a successful bid for a London Olympics in 2012.

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**FOOTNOTES**

4 References to PAERs may need to be amended if the approach referred to in the Cross Cutting Policies section is taken forward.
The Government has published a Gambling Bill to reform and update the laws regulating gambling in Great Britain. If the legislation comes into force anyone wishing to operate a casino will be required to obtain an operating licence (from the Gambling Commission) and a premises licence (from the relevant local authority). Each local authority in the UK will be required to take a view on the licensing of casinos within their area.

The proposals if adopted in their present form would mean the introduction of three categories of casino development for licensing purposes: Small, Large and

Regional Casinos

1.40

The proposals if adopted in their present form would mean the introduction of three categories of casino development for licensing purposes: Small, Large and
Regional. Regional casinos would be defined as those with a total minimum customer area of 5,000m². The Government has acknowledged that as a result of the legislation, there is likely to be demand for some regionally significant leisure developments comprising, for example casinos, hotels, restaurants and other entertainment facilities. These developments are likely to draw visitors from further afield and be seen as providing potentially significant opportunities for the tourist economy and wider economic regeneration of an area.

1.42 The potential regeneration benefits of regionally significant casino based leisure developments will only be realised where the economic value of the investment outweighs any adverse economic impacts such as the displacement of existing leisure businesses and related employment. This is most likely to be the situation where regional casinos attract new visitors to an area or encourage existing visitors to extend their stay. For these reasons proposals for regional casinos should be subject to the sequential approach applied to regionally significant tourism attractions, as set out in Policy TSR4.

1.43 Statements by Government indicate that regional casinos would be subject to national planning guidance set out in PPG6, and would therefore be seen as an appropriate town centre use. The suitability of a town centre location for such developments has been questioned by a Joint Committee of the Houses of Parliament on the grounds that the location of major destination gambling facilities in town centres could:

- increase the potential for problem gambling, through increasing opportunities for casual gambling
- facilitate access to unlimited prize machines to which the Government has stated it wishes to limit accessibility
- potentially displace expenditure on existing leisure activities.

1.44 It is therefore questionable whether town centres are indeed the most appropriate locations for regional casinos. The Assembly encourages the Government to reconsider their policy advice on this matter.

1.45 Casinos currently fall within the D2 Use Class: Assembly and Leisure. If the Bill were to become an Act on this basis, an existing D2 land use (such as cinemas or concert halls) could be converted to a regional casino (subject to licensing) without the need for planning permission. Subsequent to publishing the Draft Gambling Bill the Government has announced that it intends to establish a separate Use Class for Casinos. This is welcome as it will prevent the conversion of existing leisure uses into Regional Casinos without the need for planning permission.

1.46 A distinct regional policy for regional casinos is not considered to be required at this time; however, the Assembly will monitor the progress of the Gambling Bill carefully and make further amendments to the spatial strategy in due course if required.

POLICY TSR5: TOURIST ACCOMMODATION

The diversity of the accommodation sector should be positively reflected in tourism and planning policies.

i In formulating planning policies and making decisions local planning authorities should:

- Consider the need for hotel developments to be in the proposed location, including links with the particular location, transport interchange or visitor attraction, and seek measures to increase access by sustainable transport modes.
opportunities should be taken to co-ordinate or integrate the development and implementation of visitor management plans.

ii Development plans and Local Transport Plans should address the management of tourism-related travel demand in an integrated way as part of a wider visitor management approach to managing tourism pressures and reflecting the priorities in the Regional Transport Strategy. Depending on the nature of the tourism offer, this should include:

a promoting a multi-modal approach to access to attractions and large events. Local authorities should facilitate this by encouraging operators to establish travel plans for attractions and events generating large numbers of trips.

b developing a range of travel planning approaches to specifically address transport impacts associated with urban areas.

c statutory agencies and the regional tourism body should assist local authorities to establish integrated area based Countryside and Coastal Management initiatives focusing on areas with unrealised tourism potential, while ensuring that natural resources and landscapes are conserved and enhanced.

d visitor management plans should be prepared for areas experiencing major pressures in order to safeguard natural assets, particularly in National Parks, AONB and National Nature Reserves. These plans should seek to encourage the tourism potential of these areas to be achieved.

ii Tourism South East and local authorities should, working together, undertake active monitoring of the demand for and supply of tourism accommodation on a regional and subregional basis.

POLICY TSR6: VISITOR MANAGEMENT

i Development plans and tourism or cultural strategies should identify areas which would benefit from the development and implementation of visitor management. Where different local authority areas form part of a single tourism destination or market,
POLICY TSR7: PRIORITY AREAS FOR TOURISM

Within the framework set by the overall vision and objectives of the Regional Spatial Strategy for Tourism, development plans, tourism/cultural strategies and transport plans should seek to emphasise and implement the following sub-regional priorities:

i The Coastal Strip and the Isle of Wight – Seeking complementary approaches to the development and management of tourism so as to upgrade facilities, promote diversity, and reduce seasonality and improve access, whilst retaining and enhancing the natural character of the area. This includes making use of the attraction of Canterbury and Brighton to encourage longer stays through linked trips to surrounding areas.

ii Windsor and surrounds – Cross border working to manage the pressures associated with existing high levels of business and leisure tourism activity, through improved visitor management, enhanced public transport access, including coach travel to larger attractions, and strategic planning of visitor accommodation.

iii Oxford – Joint working with neighbouring authorities to encourage longer stays and to provide improved visitor management.

iv River Thames – Joint working to achieve the potential for informal recreation and sporting uses, improved management and access.

v Thames Gateway – Realising the potential for growth in business, sporting, environmental and attraction based tourism as part of the wider regeneration strategy for the Gateway, adding value to the existing tourism market.

vi Milton Keynes/Aylesbury and Ashford – Joint working to make appropriate provision for tourism, sport and recreation within the context of their identification as regional Growth Areas for the delivery of sustainable communities.

Local authorities, the Regional Assembly and the regional tourism board should pursue an inter-regional approach to co-ordination and management in the following tourism areas:

- The Thames Gateway (London and South Essex)
- Oxford (Cotswolds)
- New Forest (Dorset)
- Windsor and surrounds (London)
- Chilterns AONB (East of England)
- Milton Keynes/Aylesbury (South Midlands).
I Introduction

1.1 The housing policies in this Plan are designed to provide the region with an integrated, strategic approach to housing provision which supports an urban renaissance, delivers sustainable development and which provides everyone with the opportunity of a decent home.

1.2 If these objectives are to be achieved then a number of housing challenges will need to be addressed. This is the purpose of these housing policies, which seek to:

i ensure that adequate levels of housing provision are delivered in the form of high quality housing within sustainable communities

ii make better use of land

iii secure a step-change in the delivery of affordable housing

iv provide the right type of housing

v make better use of the existing housing stock.

1.3 Delivering Adequate Rates of Housing Provision

1.3.1 The latest monitoring information shows that the region as a whole is now achieving existing planned rates of provision. But this follows a period of successive shortfalls against planned provision (see map H1 overleaf).

1.3.2 At the same time, the supply of housing land has been increasing. There is currently land with planning permission for 91,000 homes and allocations in local plans for a further 111,100. There are also substantial contributions anticipated from small, unidentified sites within urban areas. These make very significant contributions.

FIGURE H1

Housing Completions in the South East
across the region, and in some areas the potential contribution from these unidentified sources is greater than the formally identified supply.

1.3.3 If the housing objectives and overall strategy in this Plan are to be met, then it is essential that housing allocations in Local Development Documents and planning permissions translate into high quality homes. This will require more than good architecture. It will require that the region builds communities and neighbourhoods and makes places that are well-designed, have a clear social structure and economic purpose, and are supported by integrated modes of transport. Well-designed homes and neighbourhoods can also do much to overcome negative attitudes towards new development and successfully accommodate higher densities.

1.4 Making Best Use of Land

1.4.1 Urban areas are already making a significant contribution to housing provision in the South East. In 2002-2003 development within urban areas accounted for 60% of housing completions. Housing development in the region’s largest towns and cities has been particularly buoyant, accounting for over half of all housing completions in the South East.

1.4.2 Regional monitoring data relating to the use of previously developed land paints a similar picture. The South East was providing more than 60% of its housing on previously developed land before RPG 9 (and Planning Policy Guidance note 3) were published. Since then the proportion of homes provided on previously developed land has increased to 71% (17,400 dwellings in 2002/03).

1.4.3 Current national and regional guidance seeks to promote more sustainable patterns of development based on higher densities and a ‘sequential’ approach. The efficient re-use of previously developed land and buildings within urban areas will be the first step in providing for the South East’s housing needs. The term ‘potential’ has been carefully chosen. To suggest that there is finite capacity for additional housing in an area that is measurable over the long-term with complete confidence is misleading. Rather, there is potential for housing to come forward within urban areas subject to prevailing circumstances and dependent upon actions taken. The

MAP H1

Total Dwellings Completed 2001-2002 to 2003-2004

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key is to understand what is possible so that choices can be made about how to proceed.

1.4.4 Over the past five years an extensive programme of urban capacity (or potential) studies has been undertaken in the South East. A review of these studies completed by Baker Associates for the Regional Assembly concluded that it would not be possible to aggregate these local studies to provide a regional assessment of urban potential. This is because the methodologies and results are not sufficiently comparable and because the timescales are all much shorter than the period covered by the South East Plan. The Regional Assembly has published good practice guidance\(^1\) to help ensure greater consistency in the future, but for the purposes of the South East Plan, the Assembly is undertaking a detailed assessment of urban potential based on a regionally specified set of sources of urban potential, definitions and thresholds. The data is being provided at district level and for larger individual settlements.

1.4.5 Development in urban areas is not necessarily an easy option though: factors such as high development costs and land assembly can act as obstacles. The infrastructure and other requirements associated with the cumulative impact of small-scale development in urban areas also need to be taken into account. Impacts on physical, social and economic infrastructure are issues of growing concern, particularly given the emphasis on urban renaissance and improved quality of life. The ability to set lower site size thresholds for negotiating affordable housing will be particularly important in those towns and cities that are heavily reliant on small housing sites.

1.5 Meeting The Backlog of Unmet Housing Need

1.5.1 ‘Backlog of housing need’ is the number of households in unsuitable housing at a given point in time (in this case 2001) who cannot improve their situation by staying in their current home and who are unable to afford market prices.

1.5.2 The assessment of backlog relates explicitly to the need for social rented housing or for accommodation that could be rented from private landlords with the aid of housing benefit. The assessment is only available for the South East as a whole. It is not possible to disaggregate the regional total to individual local authorities because of data limitations. Nor is it possible to look at the results of local housing needs assessments in the South East: although these local assessments should calculate backlog in a robust and consistent way, there are, in practice, significant variations in approach leading to substantial differences in the proportion of households comprising a backlog of unmet housing need.

**FOOTNOTES**

1.5.3 The Regional Assembly’s assessment of backlog totals 29,000 households. It comprises three components:

- Bed and breakfast hotels, hostels and refuges: 2,800
- Concealed families wanting separate accommodation: 9,000
- Sharing households wanting separate accommodation: 17,000
- Households and potential households without self-contained accommodation: 29,000

1.5.4 Although it is not possible to disaggregate the total to individual districts, two of the components – those in bed and breakfast hotels, hostels and refuges and concealed families wanting separate accommodation – are available to this level of detail. Combined together they provide an indication of the likely geographical pattern of the backlog of unmet housing need across the region (but not the backlog in each district because they do not sum to the regional total of 29,000).

1.5.5 The following map suggests that the backlog is concentrated in a number of the region’s older and larger urban areas: Oxford, Reading, Slough, Southampton, Portsmouth, Brighton and Hove. However there are also concentrations in a number of other districts: Shepway and Crawley and, in the north of the region, Wycombe, Aylesbury Vale and Milton Keynes. The Isle of Wight also appears to have a relatively high backlog of unmet need along with a number of districts in Kent, Hampshire, Surrey and Berkshire (see map H2).

1.6 Delivering More Affordable Housing

1.6.1 Housing need has been increasing in the South East. In 1997/98 there were 12,200 homeless households in priority need accepted by local authorities; by 2003/04 the figure had increased to 15,300 (see figure H2).

1.6.2 Research carried out for the Regional Assembly by the Cambridge Centre for Housing and Planning Research shows that over the period covered by the Plan, 25% of the housing provided needs to be social.
rented accommodation. In addition, the Regional Assembly currently estimates that a further 10 to 15% should be provided as shared-ownership, low-cost home ownership and sub-market rent. Further work will be undertaken to confirm this.

1.6.3 Achieving these levels of affordable housing provision will require a step-change in delivery: rates of provision have recently been less than half those currently planned. In response, the Regional Housing Board has identified a significant quantitative and qualitative increase in the supply of affordable housing as its top priority. The Board has also accepted that the increase in provision is required across much of the region, reflecting the fact that affordability problems exist across much of the South East. The following map shows the mortgage shortfall in each district for an average earner purchasing a terraced house. There are no local authority areas where an average earner is able to afford a terraced house on earnings alone (see map H3 overleaf).

1.6.4 Up-to-date and robust local assessments of housing need have a fundamental role in helping to ensure that everyone has the opportunity of a decent home. Research for the Regional Assembly has shown that although Government guidance on housing needs assessments has helped increase consistency of methodology, there are still differences in approach. The Regional Assembly has therefore published a good practice guide to encourage greater continuity between studies.3

1.6.5 The Barker Review4 recommended that the Government should establish a national market affordability goal and that each region should set its own target to improve market affordability which would be used to inform regional housing targets; these recommendations have been accepted by Government. In summer 2005, the Government intends to consult on a draft version of a national target for the main affordability indicator together with indicative regional targets. The final version of the national affordability target will be announced in November 2005. The South East will produce its own target based on independent technical advice from a national unit.

**FIGURE H2**

Homeless households in priority need accepted by local authorities in the South East

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Source: ODPM, 2004

**FOOTNOTES**

1.7 Providing the Right Type of Housing

1.7.1 A range of housing will need to be provided to meet the needs of all sectors of the community. Two key trends are towards increasing numbers of elderly people in the population and smaller households. The 2001 Census shows that one-person households now account for 28% of all households – the second largest household group in the South East. Just over half these one-person households comprise lone pensioners. 8% of the South East’s population is now aged 75 plus (648,000 persons), with demographic projections\(^5\) indicating that by 2027 the percentage will have increased to 12% (1,083,000).

1.7.2 There have been some significant changes in the type of housing being built in the South East in response to national policy guidance. In 1998, 44% of starts were detached houses, with flats and maisonettes accounting for only 17%. In 2003 only 19% of all housing starts were detached houses and 46% were flats and maisonettes. Detached and semi-detached houses/bungalows together now account for one-third of all housing starts, compared to 61% in 1998. With the exception of London, the South East now has the lowest proportion of detached houses being started of any of the English regions\(^6\).

1.8 Making Better Use of the Existing Housing Stock

1.8.1 Debates about housing tend to focus on new provision: how much should be provided, where it should be located and what the mix should be in terms of tenure and type. Much less attention is paid to the existing stock of housing, and yet new build, conversions and changes of use add less than 1% to the stock each year.

1.8.2 The vast majority of the South East’s dwellings provide satisfactory living conditions, but local authorities estimate that there are some 131,000 unfit homes in the South East\(^7\). 125,700 of these are in the private sector and 87,100 of these are

FOOTNOTES
\(^5\) ONS 2002-based draft sub-national population projections.
\(^6\) NHBC.
\(^7\) Local authority Housing Investment Programme returns, 2003.
owner occupied. Poor quality housing tends to be concentrated amongst the older stock and in city and town centres, but isolated rural locations also tend to have much higher incidences of poor quality housing than suburban and other rural locations (see map H4).

1.8.3 Similarly, overall vacancy rates in the South East are low (2.7%), but there are parts of the region where they are higher (see map H5 overleaf).

1.8.4 Poor quality stock may ultimately fall out of the supply and have to be replaced, which would increase the overall housing requirement. There are also well-established links to urban regeneration and with health and other social issues including overcrowding, poor educational achievement and access to employment. Maintaining and improving the condition of the region’s existing stock of almost 3.4 million homes is therefore crucial.

1.9 The Regional Housing Strategy

1.9.1 An interim Regional Housing Strategy for the South East covering the period 2004/05 and 2005/06 was published by the Regional Housing Board in July 2003. That strategy is currently being reviewed. The next Regional Housing Strategy will set out the Board’s priorities for housing investment in the South East and a framework for allocating resources. It will cover the period 2006 onwards and will be followed by an investment plan that will cover the two years 2006/07 and 2007/08.

1.9.2 Government guidance indicates that it is critical that there is sufficient integration between the South East Plan and the Regional Housing Strategy if there is to be effective delivery of housing. There is therefore much common ground between the housing policies in this Draft Plan, and the following key themes and priorities in the consultation draft Regional Housing Strategy:

- more housing spread around the region
- improvements in the private sector stock
- eradication of homelessness
- bringing decent housing within reach of people on low incomes.

1.9.3 Because housing markets do not fit neatly into local authority boundaries, the Regional Housing Board has been analysing sub-regional housing markets. Map H6 shows the 21 sub-regional housing markets that have been identified.
1.9.4 Typically, these are areas in which 70% of all household moves are contained, excluding long distance moves associated with a major lifestyle change, i.e. the areas of search considered by the majority of households. In practice many households will confine their search to a much smaller geographical area than this, or certain socio-economic groups will have limited choice due to a combination of factors. So a sub-regional housing market will contain a number of more ‘local’ housing markets. This will also be the case for small towns and parts of larger urban areas, understanding that many household moves are of relatively short distance.

MAP H5

Vacant Household Spaces in the South East, 2001

MAP H6

South East Housing Markets, 2004
1.9.5 The Regional Housing Board intends to use this sub-regional analysis to guide the geographical distribution of resources.

2 Housing Provision and Distribution

2.1 District level housing provision totals will be specified in the Plan when submitted to ODPM, but will emerge as a result of debate on the overall form and emphasis of the Plan and further technical work. Where districts are partly in sub-regions, the totals will refer to the whole district, but apportionment between the sub-regional and other elements will also be available. The totals may also be phased over the principal periods of the Plan, but that will be for later decision.

3 Delivering Adequate Levels of Housing

3.1 The delivery of the agreed housing allocations for each district and unitary authority in Policy H1 is essential to the achievement of the overall strategy in the South East Plan. It is also necessary if the region is to meet the Government’s target that everyone should have the opportunity of a decent home.

3.2 To ensure that the regional targets are met, local authorities will need to prepare detailed housing allocation strategies. These strategies should identify opportunities for new housing development, having regard to the outcome of housing potential studies, in line with the locational strategy set out in this Plan. They should also identify potential and existing barriers to new housing delivery and set out those actions that need to be taken to overcome these barriers. New housing provision should be phased within Local Development Documents to ensure that it does not overload the capacity of local infrastructure.

POLICY H1: DISTRICT HOUSING DISTRIBUTION AND PROVISION

(to follow at a later stage of the Plan)

POLICY H2: DELIVERING ADEQUATE LEVELS OF HOUSING

Local authorities will prepare housing allocation strategies, phasing the development of large sites and the provision of infrastructure to ensure that overall housing allocations can be met.

4 The Location of Housing

4.1 While the strategy focuses residential development in the region’s urban areas, it recognises that there are other needs (including employment, retail and other services, open space, recreational, educational, health and other community facilities) to be provided for. Local Development Documents will need to balance these competing needs having regard to local circumstances and the
overall characteristics of the region. Prime locational considerations are therefore set out in Policy H3.

4.2 While by far the major proportion of new housing will be associated with the region’s cities and towns (including market towns), the Plan also aims to support rural communities which are sustainable in terms of infrastructure, access to services, safe and friendly neighbourhoods and social inclusion while maintaining and enhancing local distinctiveness. In the South East region, the issue of local needs for affordable housing is particularly important. The Plan’s approach towards housing in rural areas is not set out in a single, separate policy. In a region such as the South East which comprises large tracts of countryside and numerous small settlements with different environmental, economic and social characteristics, it is more appropriate that rural housing issues are treated as a strand that runs through the range of housing policies. Local Development Documents will need to consider the needs of rural communities, including the potential for maintaining and creating new services, in determining local policies for housing development in villages. Local community-led initiatives have a major part to play in this process.

POLICY H3: THE LOCATION OF HOUSING

In meeting the requirements set out in Policy H1 (District Housing Requirements), creative use should be made of opportunities for housing development within the region’s cities, towns and villages, while recognising the need to provide for other community needs that contribute to the quality of life. Local planning authorities should avoid large single-tenure neighbourhoods, and should encourage mixed use developments where appropriate.

Within the region as a whole, over the 2006-2026 period at least 60% of additional housing should be provided on previously-developed land and through conversions of existing buildings. (The final version of the Plan will include separate targets for 2006-2016 and 2016-2026 related to overall housing provision targets). Individual Local Development Documents should contribute to this regional target by encouraging housing development on previously developed land, having regard to local circumstances.

All local planning authorities should carry out and keep up-to-date Urban Potential Studies and Housing Market and Housing Need Assessments.

New housing needed to meet the district requirements – whether on previously developed land or on greenfield land – should be in sustainable locations which have the necessary infrastructure, services and community provision, or where this provision is planned. Housing developments should generally be in locations that are, or can be, well-served by a choice of transport modes, with higher densities in and near locations well-served by public transport.

Local authorities should identify in Local Development Documents suburban and rural areas which are in need of renewal and should give particular consideration to the benefits that could arise from encouraging housing development or redevelopment in these areas.

In rural areas some housing development will be needed in order to meet identified social or economic needs and provision should be set out in policies in Local Development Documents.

5 Affordable Housing

5.1 The South East is one of the most expensive regions in which to buy or rent a home, second only to London in terms of affordability. The cost of housing is a major barrier to continued economic growth, contributing to significant
problems in recruitment and retention and longer distance commuting which, in turn, adds to levels of road congestion, pollution and reducing air quality. High housing costs also have social consequences. The failure to meet the housing needs of the most vulnerable and lower paid has knock-on effects in terms of lower educational achievement and poor health. All of which put additional strains on essential public services.

5.2 Rates of new affordable housing provision in the region are currently running at less than half the rate required by RPG9 to meet existing needs. This has been exacerbated by the provisions of Right to Buy and Right to Acquire legislation which have resulted in a net reduction in the size of the affordable housing stock since 1991. Levels of homelessness in the region are increasing to the extent at which most new social rented housing is now being targeted at this group. Research undertaken on behalf of the Regional Assembly shows that the failure to deliver sufficient affordable housing in the past has resulted in a significant backlog of unmet need.

5.3 To address these problems, there needs to be a significant increase in affordable housing provision across the region. The Regional Growth Areas and development on other major greenfield sites will provide significant opportunities to deliver new affordable housing. However, development in these areas will not solve the region’s affordable housing shortages and therefore the general principle will be that affordable housing needs, particularly needs for social rented housing, should be met where they arise.

5.4 The Regional Housing Board and its Regional Housing Strategy will play an important role in assessing and preparing priorities for public expenditure on housing. The Board has identified a significant improvement in the supply, both quantitative and qualitative, of affordable housing as its top priority. The Regional Housing Strategy sets out the programme and priorities in greater detail.

5.5 Local Development Documents will need to set targets for the provision of affordable housing, both for social rented and other forms of affordable housing, based on the results of housing need and housing market assessments. In many parts of the region the scale of need, combined with the predominance of small to medium housing sites, means that site thresholds may need to be set below the levels set in Government guidance. Within identified affordability hotspots, local authorities should consider seeking affordable housing on all sites where it can be economically justified. Within these areas also, the Regional Assembly will seek the suspension of the Right to Buy and Right to Acquire and work with local authorities to examine the potential for a shift in land use from other uses to affordable housing. To ensure that these policy initiatives are targeted only at meeting significant affordable housing difficulties, the hotspots will be reviewed on a regular basis.

POLICY H4 AFFORDABLE HOUSING

Affordable housing is defined as that provided with a subsidy to enable the asking price or rent to be substantially lower than the prevailing market prices or rents in the locality and where mechanisms exist to ensure that the housing remains affordable for those who cannot afford market housing. The subsidy is provided from the public sector, usually through a local authority or registered social landlord, or from the private sector through planning obligations. This definition covers housing for social rent, shared ownership, low cost home ownership and sub-market rent.

Local Development Documents will contain policies to deliver a substantial increase in the amount of affordable housing in the region, reflecting both this Plan and the Regional Housing Strategy. Local Development Documents will set targets for the provision of affordable housing, taking
6 Density and Design

6.1 Higher densities can be successfully achieved with sufficient attention to careful design. Some public opposition to new housing has arisen because of inadequate attention to the local context for such development, or the details of quality and design that help to integrate new homes into their surroundings and confer a sense of place. This Plan seeks to encourage the creation of urban and rural communities in which people can take pride through design quality. It is of no less importance that health and safety concerns are properly addressed, as well as wider environmental imperatives such as the need to minimise the use of finite resources and unnecessary pressures on the countryside. Important too, are the implications of changing lifestyles – such as the growing trend towards home working, which can itself have considerable environmental benefits in terms of reducing commuting and office space requirements.

6.2 In order to make good use of the limited land resource for development in the region, and also to foster more sustainable lifestyles, there is a particular need for this region to encourage higher densities of development. Historically, densities in the region have been surprisingly low, averaging only 25 dwellings per hectare. Recently monitoring has shown that this has risen to 30 dwellings or above. In accord with the Plan’s overall strategy, this trend needs to continue, although there will of course be widespread local variations. A degree of flexibility about car parking provision will also be required, to reflect both local circumstances and high overall car ownership levels in the region.

7 Type and Size of New Housing

7.1 Housing provision is far more than just a ‘numbers game’. It is essential that what is provided is appropriate to the needs of the community, which means that a range of types, sizes and tenures of housing will be required over the coming years, reflecting the differing requirements and circumstances of different types of households. Although much has been made in recent years of the trend...
towards smaller households (the result of societal and demographic changes), it is by no means the case that only small dwellings, such as one or two bedroom houses and flats, will be needed in the future. An adequate range of larger properties, suitable for family occupation, will also be required – and with suitable attention to design and layout these can be provided at higher densities than hitherto. Some elderly and disabled people will have specialist needs requiring particular types of provision. In order to help match provision with need, local authorities will thus prepare comprehensive assessments of the kind of new housing that is needed in their areas, based on the best information available to them and in consultation with their local communities.

8. Making Better Use of the Existing Stock

8.1 Even at the most optimistic rate of new construction, the existing stock will comprise over 80% of homes during the Plan period. It is therefore essential that the stock is both effectively used and effectively maintained as a housing resource.

8.2 PPG3 advises that effort should be put into bringing empty homes back into use and converting existing buildings, in preference to the development of greenfield sites. This advice is important in the South East region, where the pressure on the housing stock is so great and the housing needs of many households are not being met. However, the housing vacancy rate in the South East is the lowest of any region. In 2001, under 3% of the region’s dwellings were recorded as vacant. Making better use of the existing stock can only play a small part in meeting the region’s future housing needs. Nevertheless, there are parts of the region where vacancy rates are higher and where action is warranted to reduce these rates. Particularly in the parts of the region where this is a local issue, making the best use of the existing stock can make a significant contribution towards meeting housing needs and avoiding any unnecessary loss of countryside to new development.

POLICY H6: TYPE AND SIZE OF NEW HOUSING

Local authorities should identify a full range of existing and future housing needs in their areas, in the form of Housing Market Assessments. Such needs should include those of elderly and disabled people, students, black and minority ethnic households, families with children, and others with specialist requirements, as relevant. Informed by such assessments, Local Development Documents should seek to facilitate an appropriate range of housing opportunities in terms of a mix of housing types, sizes and tenures.
Empty homes strategies can include such initiatives as:

i. setting up a register of empty homes, identifying empty properties and establishing the reasons why they remain empty and the measures which would bring the property back into use

ii. renovation grants (to bring an unfit property up to modern habitable standards)

iii. imposing a high level (e.g., 90%) of council tax on empty properties

iv. encouraging use of accommodation above shops

v. working in partnership with housing associations on leasing schemes (providing for the owner to lease the empty property to a housing association that will guarantee a reasonable rent and the return of the property in good condition at the end of the lease) or identifying empty homes that the housing association can buy and bring back into use, subject to the availability of funding

vi. carrying out enforcement measures, Compulsory Purchase Orders or Enforced Sale Procedures on empty properties that are creating nuisances in terms of decay, infestation or crime

vii. working with the private sector and potential tenants to ensure the maximum occupation of private sector rented housing.

In parts of the region, there are significant concentrations of older, predominantly pre-1919 properties in very poor condition, mainly focused in the coastal areas and in the more deprived urban areas. The provision of a decent home for all is a high priority for the region and for Government. The Government and Regional Housing Board’s target is to bring all social housing into a decent condition by 2010.

POLICY H7: MAKING BETTER USE OF THE EXISTING STOCK

Local authorities should assess their existing housing stock in meeting housing needs and promoting urban renaissance, and should implement measures to reduce the number of vacant, unfit and unsatisfactory dwellings by:

i. identifying in Local Development Documents areas that suffer from particular problems of empty and run-down dwellings that would benefit from an Action Area approach to remediing these problems

ii. adopting policies and programmes to improve or redevelop areas that are becoming outworn and thus ensure their overall quality and attractiveness as a place to live

iii. producing empty homes strategies setting out a range of initiatives to bring empty homes back into use

iv. considering incentives to encourage smaller households occupying larger properties to move to smaller dwellings

v. adopting policies that encourage the conversion of larger houses to flats in appropriate locations where such an approach is consistent with meeting the identified local housing needs.