

REPORT TO: Policy & Resources Committee

DATE: 6th December 2007

REPORTING OFFICER: Forward Planning & Economic Development

Manager, Julian Rudd

SUBJECT: Draft Regional Spatial Strategy (RSS)

WARDS AFFECTED: All

1.0 PURPOSE OF REPORT

1.1 To consider the latest Draft Regional Spatial Strategy for Yorkshire and the Humber (incorporating proposed changes by the Secretary of State) and its implications for Ryedale, and to agree this Council's response.

2.0 RECOMMENDATION

That the comments contained in this report be forwarded as this Council's response to the draft RSS (incorporating proposed changes by the Secretary of State).

3.0 REASONS SUPPORTING DECISION

3.1 To ensure that the needs and concerns of the District are reflected in the final version of RSS, enabling sufficient and appropriate strategic direction for the Ryedale Local Development Framework.

4.0 BACKGROUND

4.1 This Committee considered the then draft RSS in February 2006, when Members agreed the response of the Council to the consultation document (the Council's comments on the January 2006 version of draft RSS are reproduced at Appendix 1). Following an Examination in Public by an independent panel during Autumn 2006, a Panel Report was produced which set out a number of changes to the RSS. These have now been considered by the Government Office for Yorkshire and Humber on behalf of the Secretary of State of Communities and Local Government, who has formally published for consultation 'Proposed Changes' to the RSS. These "Proposed Changes" take account of the

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Panel's recommendations along with representations about the draft Plan and other relevant evidence.

- 4.2 Copies of the 'Proposed Changes' dtaft RSS, together with a schedule of the proposed changes with reasons, are available in the Member's lounge. The consultation period runs until 21st December 2007. The document is available to view online at www.goyh.gov.uk
- 4.3 Members of this Committee have considered earlier consultations regarding the emerging RSS and responses have been forwarded to the Assembly at each stage. In addition, the Council's views have been fed into the process at officer level meetings and through officer and Member representation at meetings of the Regional Assembly.

5.0 INTRODUCTION

- 5.1 The RSS forms part of the development plan for Ryedale, and both the Council's Local Development Framework and planning decisions need to be in general conformity with it. The RSS is now at an advanced stage and should be given substantial weight in the decision making process.
- The structure of the document is split into three broad areas: the Core Approach, 7 sub-areas and 4 topic areas (economy, housing, transport and the environment). Ryedale falls within two sub-areas: 'York' which largely covers southern Ryedale including Malton and Norton, and 'Remoter Rural' which covers the more rural northern Ryedale.
- 5.3 The RSS is a substantial document covering over 200 pages. It is not appropriate to report all of the detail contained within it, but rather to focus on the key changes to RSS made since the last consultation on the Draft RSS that directly relate to this District.

6.0 REPORT Changes to the Core Approach

- 6.1 Core Policy YH2 originally set out a target for "plan, strategies and investment decisions/programmes" to help to reduce greenhouse gas emission below 1990 levels by 20% by 2010 and by 25% by 2015. This has now been deleted due to its reliance on actions beyond the influence of the RSS. The next review of RSS will develop "carbon performance" trajectories for residential and commercial development. Whilst this results in a deferral of specific targets relating to greenhouse gas emissions, it will contain guidance on measures that will help achieve this. Nevertheless, RSS has a role in leading efforts to reduce greenhouse gas emissions and it is considered that a target should be expressed.
- 6.2 Core Policy YH6 set out the role of what were called "Principal Service Centres". In Ryedale, only Malton and Norton were considered to be at

this level in the hierarchy. They have now been renamed as "Principal Towns" to emphasise that this designation applies to the whole of the settlement. The Panel report recommended deleting named Principal Towns from the RSS but the Secretary of State did not support this. Instead, the list of Principal Towns mentioned in RSS is not now intended to be fully conclusive, and specific criteria have been introduced into the policy to allow local authorities to 'exceptionally' identify other "Principal Towns" where this is appropriate. This change in approach primarily relates to West and South Yorkshire. For Ryedale, it is considered that only Malton and Norton possess the necessary characteristics to meet these criteria (which include having good accessibility by public transport to Regional Cities and Sub Regional Cities and Towns).

- 6.3 The original supporting text to policy YH6 included reference to the need to have "a local development focus" in the 32 designated Principal Towns, however this has now been deleted. This provided useful guidance in applying RSS at a local level and it is considered that this and other explanations of strategy (such as the distribution between principle towns, local service centres and other settlements in rural areas) should be retained.
- 6.4 Consideration of Green Belt Policy falls under policy YH9. This has now been substantially amended to address different parts of the region. The York Green Belt is addressed in criterion C and states the "detailed boundaries of the Green Belt should be defined". It also states that the setting of the boundaries should take into account the likely levels of growth set out in RSS. Whilst this may result in adjustment of the inner boundaries, it is not required for that part of the outer Green Belt boundary within Ryedale, and this should be recognised within the Policy.

York Sub-Area

6.5 The role of Malton/Norton as a Principal Town within the York subarea, as set out in Policy Y1 remains unchanged, which is welcomed. However specific references to improvements to the A64, an essential part of the Council's priorities, have now been deleted in part D of Policy Y1. Whilst a more general reference to 'improved accessibility to York' is included, it is felt that this is a loss of an important spatial and strategic dimension of the plan, which should be reinstated to give Local Development Frameworks an appropriate steer.

Remoter-Rural Sub-Area

6.6 Overall the Remoter Rural Area remains relatively unchanged. However, there have been subtle changes to the wording of Policy RR1, especially in Section E – Strategic Patterns of Development. In common with other areas of the RSS, the term "restraint" has been removed and replaced with "Ensure an appropriate level of market

housing, having regard to the need to safeguard local character and support regeneration elsewhere." This is a change from the earlier draft RSS, which sought to restrict market housing in rural villages in favour of housing to meet identified local needs. This rewording fails to give a clear policy steer for those settlements below the level of a Local Service Centre and does not address local need at this rural level. We therefore suggest that policy is reworded to take account of this.

Economy

6.7 A key change to the economic section of RSS is the introduction of a "Potential Annual Job Growth" table 14.7, based on the Regional Econometric Model used in the preparation of RSS and debated at the Examination in Public. This indicates a potential job growth of 140 jobs per annum in Ryedale. Policy E3 has been amended to state that "Local Employment Land Reviews for LDFs should take account of the job growth table." As part of the preparation of the Ryedale Core Strategy, Knight Frank produced an Employment Land Review (ELR) for the Council in 2006. Due to its recent preparation, this took into account the findings of the Regional Econometric Model, which consisted of three separate growth scenarios, together with a detailed local analysis. Therefore the 且R is consistent with this element of RSS as required in Policy E3. The supporting text to policy E3 explains that the figures in the table are not targets and are "Intended to provide spatial guidance to provide spatial guidance about the potential amount of growth that may need to be accommodated." The inclusion of the table raises question where ELRs have already been carried out, such as within Ryedale. The RSS should make clear that local information and evidence provided by the ELR should take precedence in guiding the Local Development Framework. It should also be made clear in the supporting text of the Policy that the suggested figures are not a ceiling.

Housing

6.8 The housing figure for Ryedale has been reduced to 170 dwellings per annum for the period 2008 to 2026 (NB The draft RSS has new end date of 2026, as compared to 2021 within earlier versions). The previous draft RSS had a phased rate for Ryedale of 230 units per annum from 2004-11, 200 from 2011-16 and 170 from 2016-2021. This change represents a significant reduction in Ryedale's housing figures, set against very substantial increases elsewhere, particularly in West Yorkshire. Some of the metropolitan authorities have expressed concern at the deliverability of these substantially increased figures, and associated pressure on the existing infrastructure and green belt. Given the Government's agenda of substantially increased housing delivery (as set out in the Housing Green Paper), the substantial need for affordable housing within Ryedale, and the importance of strengthening Ryedale's market towns as rural service centres, there is great concern about this reduction in the Ryedale figure. Ryedale has

the third worst affordability gap for first time buyers of all authorities within England and Wales and has an identified need for 326 new affordable units each year. The draft RSS proposed level of housing within Ryedale is nonsensical against this background, particularly given national housing policy and arguably undeliverable targets for West Yorkshire. It is vital that a higher housing figure be reinstated which is at least consistent with the draft Ryedale LDF target of 3500 houses between 2004 and 2021.

6.9 Policy H3 – The Provision of Affordable Housing has been amended to be more specific about the level of affordable provision across the region. For North Yorkshire it now requires that "over 40%" should be provided on housing sites that meet the local threshold. This represents a minimum 6% increase on the Council's current 35% provision, and will be further considered through the Local Development Framework. This change is welcomed in principle and reflects the high level of affordable housing need in Ryedale.

Environment

- 6.10 The 'Proposed Changes' increase renewable energy targets for North Yorkshire (from 350MW to 428MW by 2021) and identify a new 2021 local target for Ryedale of 19MW (from 10MW in 2010). Whilst there is much support for increased renewable energy provision within Ryedale, experience would suggest that there may not be the market interest / capacity to deliver these targets.
- 6.11 Policy ENV5 is proposed to no longer refer to the need for at least 10% of energy within sizable new development to come from on site renewable provision. This is a retrograde step.

7.0 OPTIONS APPRAISAL

7.1 In view of local circumstances and priorities, the suggested responses to the latest draft RSS are necessary and appropriate.

8.0 LEGAL IMPLICATIONS

8.1 Considerable weight should be attached to RSS once it has reached this stage and it is important that the Plan is amended as set out above before it is finalised.

9.0 RISK ASSESSMENT

9.1 In particular the housing numbers proposed threaten the Council's ability to address local housing needs and, to a lesser extent, to satisfy requirements for employment land. These and the other identified issues raise risks in terms of strategy and reputation.

13.0 CONCLUSION

13.1 Whilst there is much to support within the draft RSS, including the approaches to the York sub area and to affordable housing, there are

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several areas of concern, not least of which are reduced housing numbers for Ryedale. It is essential that this Council seeks to amend these key aspects of the RSS before it is finalised.

Background Papers:

The Yorkshire and Humber Plan: The Draft Revised Regional Spatial Strategy Incorporating the Secretary of State's Proposed Changes, Public Consultation 2007

The Yorkshire and Humber Plan: Draft for Public Consultation, December 2005

Ryedale Employment Land Review, Knight Frank, 2006

'Draft Regional Spatial Strategy', report to February 2006 Policy & Resources Committee

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APPENDIX 1: Comments on draft RSS, as agreed at Policy and Resources Committee, February 2006:

"The region contains a diverse range of issues, which require a spatial planning response. The vision, objectives and Core Approach of RSS identify the regions regional and sub-regional centres as the main focus of change and growth. It seeks a 'step' change in planning to ensure urban concentrated, compact and transport orientated patterns of growth and this, on a pan —regional scale is considered appropriate.

The spatial priorities do recognise the need to address the social, environmental and economic issues of the Regions rural areas. The general approach to accommodating development in change in the rural area through policies YH6, 7 and 8 are largely consistent with the approach proposed in Ryedale's Core Strategy and is supported.

The identification of Malton as a Principal Service Centre is strongly welcomed. However, whilst reference to Malton is acceptable, it would be helpful for RSS to clarify that the Principal Service Centre actually comprises of the twin-towns of Malton and Norton.

The supporting text to YH7 makes it clear that Local Service Centres may accommodate lower levels of growth to assist in addressing local housing needs and that these will be the smaller rural towns and larger villages. It is made clear that, in addition to the local service centres that have been identified in supporting work for the draft RSS, local authorities can identify appropriate large villages as Local Service Centres. This is considered to be consistent with the approach set out in the submitted Ryedale Core strategy and is welcomed.

It is considered that Policy YH8 should include reference to the policy approach to accommodating development below the Local Service Centre Level given that this accounts for much of the rural area within the region. In addition, it is considered that additional clarification is required in the text as to how the term locally generated housing need should be interpreted within the context of YH7 and YH8.

The sub area approach is a useful way in which the regions overall approach can be applied to different areas within the region and is supported.

The inclusion of the York Sub-Area in draft RSS is very much welcomed. Whilst the policy looks to concentrate growth and change in the City and then at Selby, the emphasis placed on the role of Malton/Norton as a Principal Service Centre within the sub-area is welcomed. It is consistent with the aspirations of this District as reflected in the Ryedale Core Strategy and reflects many of the issues that this Council has previously raised. In particular, reference to the need to undertake improvements to the A64 and the Trans- Pennine rail network is very much supported. It is considered however, that transport improvements, particularly to the A64 should be identified in the policy as a Regionally Significant Investment Priority. This would improve consistency with the policy framework for the Coast Sub-Area and the Regional Transport Strategy. The Council is also concerned about the urban focus of Policy T2

The Remoter-Rural sub-area policy is welcomed in principle. However, there is an inherent tension in RSS between the need to deliver an urban focus and the need to address specific rural issues, in particular the acute need for affordable housing. Whilst it is acknowledged that the location of development policies seek to address this, it is unlikely that this will result in this need being met. On this basis it is considered that a key regionally significant investment priority for the sub area should be the funding of affordable housing. This is appropriate if the RSS is to have a meaningful impact in assisting to align the funding strategies of other organisations.

The Core Policies are applied to the sub-areas. Reference to providing very small scale development at Local Service Centres 'to address local affordable housing needs' appears very restrictive and gives the impression that this development will only be for affordable housing. It is assumed that what is actually intended is that the policy framework provides for allocations in these areas at a level that would enable (via developer contributions) affordable housing to be addressed. If this is the correct interpretation then the terminology requires clarification and the text requires further explanation.

The scale and distribution of housing provision has inevitably proved a source of topical debate in the development of Draft RSS. The figures for Ryedale over the course of the RSS period amount to the provision of 3460 dwellings. This is broadly consistent with the Ryedale Core Strategy, which states that provision will be made for approximately 3500 new dwellings in this time.

Members will be aware that at earlier stages in the preparation of the Core Strategy and in contributing to the development of RSS, this Council had argued for a level of housing provision equating to approximately 225 units per annum over the life of RSS. The actual figures in RSS average at 203 units per annum over the period 2004-21, however this start date of 2004 is significant in terms of Ryedale's situation. In view of lower than average completion rates in Ryedale over recent years and the time required to bring forward a range of new housing allocations, this will mean that the District will be carrying forward a shortfall in provision from this 2004 start date. On this basis, the 'headline' housing figure agreed in the Ryedale Core Strategy was and is one which is considered realistically achievable.

The extent to which the planned phases of housing are delivered through the LDF will be addressed in the preparation of Ryedale's Housing Land Supply Development Plan Document. However, officers are satisfied that housing provision rates close to those originally sought by this Council will be achievable during the implementation of Ryedale's Housing DPD, given the above situation.

In terms of affordable housing, the provision of a target of over 40% of new dwellings on development sites in areas such as Ryedale is welcomed. This will be of significant use to Local Authorities in compiling LDF's. However, the extent to which it is realistic to identify exceptions sites is debatable. The ability to identify sites is not a mechanism that will guarantee that these will be delivered. As with the current exceptions policy, the approach would rely on landowners bringing land forward for such a purpose.

The economic policies in the document are broadly appropriate and should not constrain this District in addressing economic development in line with the Core Strategy. Members are aware that the Core Strategy makes provision for 45 hectares of employment land to 2021, on the basis of work undertaken thus far with Knight Frank on the Ryedale Employment Land Study. This is allocation higher than the 8-17 hectares (net figure) outlined in the strategic regional employment land forecasts, but is shown by our local employment land review to be appropriate and has recently been considered by the Region to be in broad conformity with the RSS land supply policy.

The environment policies appear consistent with national policy/guidance and are a useful framework from which to develop local policies in LDF's."