



# 2 THE CONTEXT FOR THE SPATIAL STRATEGY

**2.0.1** This Draft RSS has been shaped by the nature and character of the South West, the desire to move forward as a sustainable region and an understanding of assumptions and forecasts for the future. This Section sets out important factors which provide a context for this Draft; that is, inter-regional linkages, the intrinsic quality of environmental and cultural assets, the availability of funding for infrastructure and the functional approach to planning. Fundamentally important is an understanding of the scale of growth in economic activity and population which the region is likely to experience over the next 20 years and should make provision to accommodate.

## **2.1 The Spatial Context for Change for the South West**

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**2.1.1** An important spatial context for the South West region is provided by the relations it has with adjacent regions, the South East, West Midlands and Wales and its links with the European mainland. The main regional connections with Europe and beyond are through the Port of Bristol and the ferry ports at Plymouth and Poole. Bristol, Exeter and Bournemouth airports also provide a wide range of links to European and wider global destinations. Rail links are via Eurostar services through London. The resilience and reliability of these links is important.

**2.1.2** Studies<sup>6</sup> have shown that the most significant linkages between the South West and the wider United Kingdom are those with London and the South East, particularly for the business community. The eastern part of the region, particularly Swindon and South East Dorset and increasingly Gloucestershire and the West of England, are now well within the functional 'City Region' of London. A reliable journey time of less than two hours to London is seen by the region's business community as increasingly important, disadvantaging the more western parts of the region. Maintaining reliability and resilience of transport links to the capital is reflected in transport policies as a priority.

**2.1.3** Investment in infrastructure in the South East region is of fundamental importance to this region. Journey resilience and reliability into London and Heathrow will be reliant on

enhancement of rail capacity at Reading, whilst the implications for the region of Crossrail will need to be considered. This is not the only example of the need for investment outside the boundaries of the region; there are also significant long-term dependencies for Swindon on investment by Thames Water in new water supplies in the adjacent South East region.

**2.1.4** The northern part of the region also links with the West Midlands and commuting patterns between the Cheltenham and Gloucester area and Worcester have been taken into consideration in planning for that part of the region. In addition, parts of South East Wales are within the Bristol Housing Market Area.

**2.1.5** Within the region, economic and social characteristics vary widely (see Section 1.4). There are long established differences in Gross Value Added (GVA) per head and incomes between the far South West and Cornwall on the one hand, and the better connected east and north of the region on the other. In general terms, it is possible to identify an overall 'gradient' of decreasing prosperity and economic productivity when moving from east to west across the region, although, in many places, this may be overshadowed by local concentrations of relative wealth or deprivation (see Map 9.1).

## **2.2 The Quality of Environmental and Cultural Assets**

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**2.2.1** The South West is a developing region and economic and population growth, and the development resulting, will be influenced by the context provided by the extent and quality of environmental and cultural assets. Concerns are expressed that continuation of recent trends in the region will be at the expense of the urban and rural environment, and that current policies have had limited success in areas of significant growth and change. The impacts are undeniable on some natural habitats and wildlife species which have declined in quality and quantity due to changes in land management and development pressures. Large areas of landscape have experienced changes inconsistent with their character, particularly in the east of the region, where there are

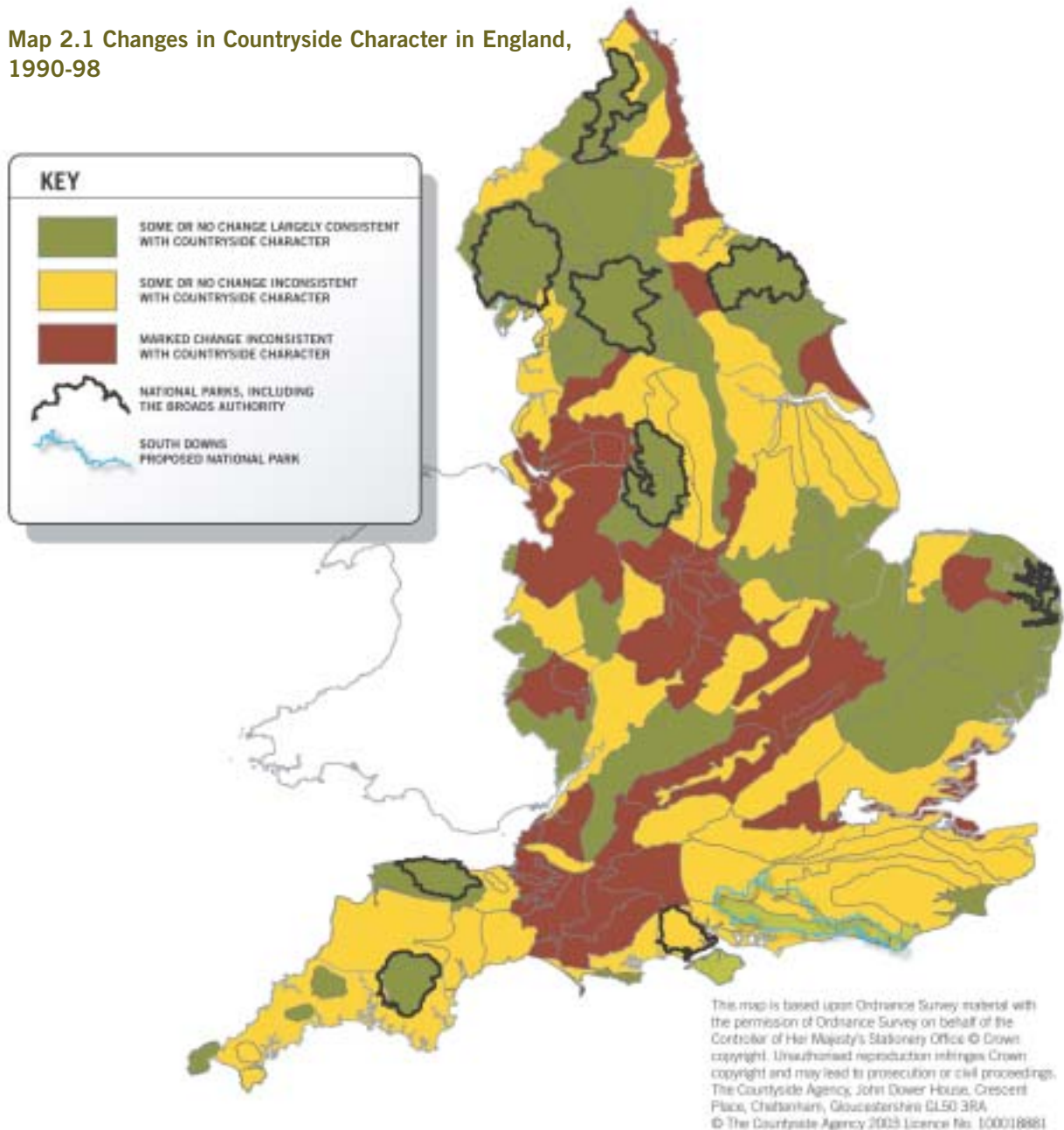
<sup>6</sup> *Intra-regional Connectivity in the South West – DTZ Pleda for SW RDA (2005).*

significant development pressures (see Map 2.1). In the western and more rural parts of the region, many of the pressures are linked to agricultural practices rather than to development. Historic assets are also under threat through visitor numbers, lack of viable economic use or management. Many of the region's major urban areas are situated on, or close to, sensitive coast or estuarine habitats, the implications of which are taken account of in the development strategies contained in Section 4. The South East Dorset Conurbation is particularly constrained by internationally significant habitats.

### 2.2.2 The quality and diversity of environmental and cultural assets is a key strength of the South

West. One of the main roles of the RSS is to set out policies which ensure that the quality of these assets is not seriously undermined by future development. The environment has been identified by the RES as a driver of the regional economy, underlining its importance to the overall prosperity of the region. It is a mainstay of the tourism industry and other business sectors and of fundamental importance to the quality of life enjoyed by the region's residents. Growth in the South West over the next 20 years will provide some real opportunities for the region to enhance environmental and the cultural assets as development occurs. Equally, in the more rural parts of the region, environmental resources provide a sustainable basis for economic activity and small business development.

**Map 2.1 Changes in Countryside Character in England, 1990-98**





**The Sustainability Principles highlighted in Section 1.6 will need to be applied in an integrated way to all development decisions in the region, so that such decisions do not result in detrimental impacts on the region's environmental and cultural assets. Where potential conflicts arise, alternative approaches should be sought that aim to mitigate any negative environmental impacts. Application of the precautionary principle, and the Strategic Environment Assessment (SEA) Directive should prove helpful in this respect.**

### **2.3 Expected Economic and Population Change**

**2.3.1** Forecasting over a 20 year period is not an exact science, but it is necessary to make estimates of economic and population change so that the best way of managing consequential development can be found. The approach adopted in this Draft RSS is not mechanically to project forward trends, although the experience of the recent past and of long-established trends does give some reasonable clues about what might happen in future. Needless to say any attempt to

deflect well-established trends in people's behaviour can often take many years to accomplish. National and international factors as diverse as the price of fuel, the effect of new technology, changing household size and the growth of far eastern economies and global climate change will all be important 'shapers' of the region. Where possible these have been taken account of, but in many cases, they will have largely unpredictable effects into the longer term.

#### **Economic Change**

**2.3.2** Since 1996 economic activity, in terms of job numbers and GVA in the region, has surpassed the highest forecasts made in the preparation of RPG 10, with most of the growth in activity associated with the major cities and towns. Where growth is outstripping planned development, adverse impacts of the type highlighted earlier become more likely. Estimates of future economic performance vary, but it seems likely that the performance of the regional economy will continue to outstrip the national economy. Scenarios prepared for the RES set out three possibilities: that the economy tracks the trend of the wider UK economy

(the benchmark position); that it maintains its recent relatively buoyant performance (central view); or, it improves its relative performance through time (growth). The RES, if successfully implemented, is likely to produce the 'growth' scenario.

**2.3.3** Looking ahead to 2026, it is important that successful work to sustain the regional economy is continued, and that the momentum is maintained in those areas that require intervention to stimulate economic development and support community regeneration. Further investment will be necessary to improve the infrastructure of the region and to reduce the impacts of poor connectivity between places in the region and with London. In addition, the social capital of the region – its people, skills and communities – will need to adapt and rise to the challenge of technological change, growth of the knowledge economy and the emergence of new sectors. Parts of the region, particularly the west of the peninsula, need to move from a low skill/low value based economy, to one where the quality of skills and the nature of employment drive up performance.

**2.3.4** The Draft RSS therefore supports sustainable economic growth (in line with the Vision of the RES set out in Section 1) and improvements in the relative economic performance of the South West. This means promoting the priority sectors identified in the RES and the growth of the knowledge economy. Following a low carbon and low resource consuming approach is also critical, for example through promoting regional sourcing and stimulating local markets. It also means realising potential in the areas best placed to deliver through market mechanisms, principally the larger urban areas, by helping to secure vital investment in the infrastructure needed. In those parts of the region where market mechanisms are not strong, economic activity needs to be stimulated which will involve providing infrastructure to overcome barriers to growth and encouraging regeneration and intervention in areas which are underperforming.

**2.3.5** Information and data gathered for this Draft RSS indicate the following trends are likely to be particularly significant over the lifetime of the strategy:

- Economic growth will not be uniform across the sectors. Those with the greatest potential for growth in the period to 2010 include business services, other services and education. Most broad sectors are expected to grow, with the exception of mining and quarrying, agriculture and (marginally) manufacturing – mirroring national trends. The nature of economic activity has been changing, with more growth in non-traditional sectors such as health, retailing and education. The provision of large strategic employment sites suitable for inward investment is no longer of such significance, although a flexible land supply is
- The development of global markets and global competition will impact on the region's economy, and technological change, labour markets and business practices are influenced by international opportunity and competitiveness. In order to compete more successfully, the South West economy has to raise productivity. This will require continued intervention in those parts of the economy and the region that are currently underperforming
- Cities and towns will continue to be the critical drivers of the regional economy. In the period to 2026 estimates suggest that over 80% of the region's jobs will be created in the Travel to Work Areas (TTWAs) of the 21 places identified in Development Policy A in Section 3. Bristol is one of only eight Core Cities nationally whose continued prosperity is vital to national, as well as regional, economic well-being and competitiveness
- The footloose nature of investment means that economic development turned away from the prosperous parts of the region is likely to be lost to the South West

**2.3.6** Section 8 contains policies to ensure appropriate provision is made to secure continued economic growth in the region.



### Population Change

**2.3.7** Reflecting the recent good economic performance and the quality of life available in the region, the population of the South West has grown by more than 400,000 since 1991, primarily as a result of in-migration, and growth has been accelerating since the early 1990s. The South West had the highest regional rate of increase between censuses of all regions.

- Broadly speaking, births and deaths are in balance and population growth results from people moving to the region for a variety of reasons
- In-migration to the region, principally from London and the South East totalled 143,900 people in 2004 with 110,000 moving out. Typically, the South West gains in excess of 30,000 people from within the UK annually; this scale of in-migration is expected to continue for the foreseeable future
- Recent forecasts suggest that by 2026, the region's population could have grown by over 750,000 people over the 2006 base figure, giving a regional population of 5.85 million

**2.3.8** Social changes have also occurred over recent years, with more single people living alone and a rising number of smaller family households as a result of family breakdown and divorce. Increasing population affects the demand for housing, as does household growth and the continuing strong demand in the region for second home ownership, particularly in coastal and some rural areas.

**2.3.9** One of the distinctive features of the region is its older than average population profile compared with other English regions. In 2001, over a million people in the South West were aged 60 and over, almost 24% of the total population. This compares with under 21% in this age group for England as a whole. By 2026, it is expected that the South West total will have increased by over 600,000 to 1.8 million, more than 30% of the projected population.

**2.3.10** The more elderly members of this age group are expected to increase even more rapidly, so that by 2026, the number of South West residents aged 75 and over will have increased by 40% to over 750,000. This has major implications for matters ranging from the region's labour market, through provision of social and caring services, to the design and

location of new developments and buildings. Whilst the national population profile will also be ageing, the South West will still have a relatively higher proportion of elderly and very elderly, and the implications of this must be addressed. These trends will also offer opportunities and the implications of increasing numbers of relatively active elderly in communities could provide human resources, for example assisting voluntary services and providing expertise and experience in paid employment.

- 2.3.11** At the other end of the age spectrum, the number of school aged children and young adults in the region will be almost static. Although the total population will rise by up to 20%, the number of five to 19 year olds will rise by less than 2%. In areas experiencing significant growth, the number of school age children will still be increasing, while in other areas there will be an overall decline. Amongst other things, this will have implications for employers, for education and training requirements and for public transport.
- 2.3.12** The South West currently has a very small non-white ethnic population (under 3% of the total in 2001, compared with 10% in England as a whole). The main concentrations of these minorities are in the larger cities, particularly Bristol, Gloucester, Swindon and Bournemouth. Members of minority groups throughout the region are growing in number and local authorities should plan positively for this. Gypsies and Travellers are also well represented in the South West and provision to meet their particular needs is included in Section 6.

### Regional Housing Requirement

- 2.3.13** The population growth expected will influence demand for housing. High demand has inflated house prices, and in most parts of the South West the gap between earnings and house prices is such that many households cannot now afford to own their own home. Around 10,000 households are registered as officially homeless and more than 120,000 are on current housing registers – figures which have increased in recent years. The state of the housing market impacts on the ability to create and maintain sustainable, balanced communities, and affects the retention and recruitment of ‘key workers’ and workers in sectors such as tourism. Areas of acute housing need often have other problems, requiring a cross-sectoral approach to solutions. The ‘*Barker Review of Housing Supply*’<sup>7</sup> has maintained that constraints on housing provision have been a major factor in creating high and rising house prices in the UK. The report argues that providing housing that most households can afford will only be achieved through increasing the supply of new housing nationally. In the South West however, the attraction of much of the region to inward migrants means that increasing housing supply alone will not solve the problem of affordability and other measures to provide affordable homes to rent or buy should be supported.



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<sup>7</sup> *Delivering Stability: Securing Our Future Housing Needs (HM Treasury March 2004).*

The main economic and population assumptions influencing the scale and distribution of development are:

- There is a need to plan for economic growth at or above the current rate, equating with annual growth in Gross Value Added (GVA) of 2.8% or higher (and towards the higher end of the range 2.4% to 3.2%) making provision for between 365,000 and 465,000 growth in jobs between 2006 and 2026. This aligns with a population growth of over 750,000 over the 20 year period
- A differential approach to economic development is needed, recognising the variation in economic prospects across the region, addressing disadvantage and intra regional disparity
- The realisation of economic growth will require provision of adequate housing to support it, in locations with the greatest potential for aligning jobs, homes, services and facilities and where infrastructure exists to support growth. (This is the focus of the Spatial Strategy and Policies in Section 3.)
- There will be a need for continued support for the economic well-being of areas of concentrated disadvantage, some inner urban areas, the west of the peninsula, rural areas and other areas affected by structural change, to support and enable regeneration, diversification, integrated rural development and community capacity building (identified in Section 9)
- Rising household numbers, the demand for affordable housing, and the generally buoyant economy of the region suggest a need to increase and accelerate the provision of housing over the lifetime of the RSS to provide an adequate choice and mix of housing of all tenures, across the region, concentrated at the most sustainable locations
- Technical forecasts indicate that the level of housing provision will need to be consistent with potential household and job growth ie at levels higher than those in RPG 10, and predict that around 25,000 new dwellings a year will be needed to meet the scale of need arising from improved economic prosperity, to respond to undersupply in the current market and to address the issues of affordable housing across the region; however



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- The review of evidence leading to the 25,000 forecast is heavily dependent on the accuracy of two key underlying assumptions:
  - The first takes a view that the central forecast for economic growth is 2.8% per annum for the next two decades in spite of the evidence already seen that growth is slowing in the light of oil and resources prices
  - The second assumption, which accounts for a demand for 75,000 houses alone, is that the rapid decrease in household size will continue unabated during the plan period, and that no fiscal measures or other changes will take place to alter these trends

## 2.4 Resources and Infrastructure Availability

2.4.1 Another important context for the RSS, and its delivery, is the likely availability of resources to enable the key elements of transport infrastructure and social/community facilities to be provided as development proceeds. This is a fundamental requirement if the region is to achieve the scale of development this Draft RSS proposes, which is emphasised in the region's contribution to the national Sustainable Communities Plan – 'The Way Ahead'.

### 'The Way Ahead' states:

*"While the region has embraced growth we are now looking into the future from a position of serious infrastructure deficits in many parts of the region, arising mainly because development has not been well planned and growth has outstripped the ability of basic transport and social facilities to cope with the pressures... Access to significant additional funds from Government sources, over and above established programmes, will be required to provide the major infrastructure needed to deliver."*

2.4.2 Without that necessary investment, regional partners are concerned that substantial growth will either fail to happen or will have an adverse effect on quality of life and desire to live in the main centres of the South West. The challenge of planning for substantial population growth in the region will be to deliver economies of scale that will help harness infrastructure investment through the development process. Both the private and public sectors will be expected to play their part. Infrastructure in this sense includes those elements of social and community facilities and services that contribute to quality of life (such as education, health and leisure facilities, and places to meet and worship) as well as investment in transport, facilities and services, that will help to deliver the desired step change towards more sustainable forms of transport. Priorities for investment and proposals for the use of various approaches to fund infrastructure are contained in Section 3 and more detailed sub-regional links between development and infrastructure are stated in Section 4.

2.4.3 Funding and support for local communities wishing to pursue large-scale and sustainable growth, including new housing, may become available in due course through the 'New Growth Points'<sup>8</sup> initiative.



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<sup>8</sup> From the Office of the Deputy Prime Minister – December 2005

## 2.5 The Role and Function of Places

### Functional Planning

- 2.5.1** The new system of spatial planning encourages a strategic approach which is based on identifying how people and businesses interact in particular areas and the implications of this for services and facilities, travel patterns and the demand for development. This approach is loosely called a functional approach to planning and it means that in many cases the 'functional areas' and 'functional linkages' between places cut across administrative boundaries. It is possible to identify different 'functional areas' for housing (13 Housing Market Areas), the economy (Travel to Work Areas and seven Economic Functional Zones), shopping (four broad Retail Catchment Areas) and leisure; and different 'character areas' where places share certain defining characteristics such as landscape or remoteness.
- 2.5.2** The way the region, and different parts of the region, function has been interpreted in developing the Spatial Strategy. This analysis, together with the outcome of the consultation on broad strategy options, reinforces the need to reflect the diversity of the region in the Spatial Strategy. The analysis does not lead to the definition of clear sub-regions, rather it provides a basis for a differential approach to strategy based on three sub-regional strategy emphases which are outlined in Section 3 and shown on Map 3.1 and the Key Diagram.

### Rural and Urban South West

- 2.5.3** In Section 1 the point has been made that in character the South West is perceived to be largely coastal and rural and some of the pressures facing rural areas are commented upon. Over recent decades, however, the differentiation between 'urban' and 'rural' has become less clear. Many people reside in rural areas but live an essentially urban lifestyle, dependent on their nearest city or town for work, shopping, cultural and leisure opportunities. Such a trend does not support local facilities in smaller communities, many of which have seen the closure of local shops, post offices and businesses and increasing reliance on nearby towns, even though their population may have risen.

- 2.5.4** Rural localities vary from affluent commuter belts close to urban boundaries to deeply rural areas many miles from the nearest basic service centre. This variety is recognised through the Department for the Environment, Food and Rural Affairs' (DEFRA) 'Rural and Urban Area Classification' which distinguishes between sparse and less sparse populations in rural settings ranging from small town and fringe to village and dispersed. The differences between rural areas in the region need to be assessed, in this context, as local authorities interpret Policies in Section 3 when producing their Local Development Documents (LDDs).

### The Role of Towns and the Links Between Them

- 2.5.5** One of the distinguishing characteristics of the region is the number of medium sized towns – 'market towns' and coastal towns – which demonstrate varying levels of self-containment and service provision. They represent a resource for the rural areas and can offer the nearest shopping centre and location of secondary education and health facilities for many rural residents, particularly in more remote parts of the region. Across the region, the relationship between market towns and smaller settlements in the countryside is complex and, whilst there is sometimes a strong relationship between villages and market towns, recent research is demonstrating how some of these traditional links have been breaking down with increasing personal mobility. At the same time, accessibility to jobs and services, for rural residents who do not have access to a car, is worsening. At the local level, LDDs will need to be based on a clear assessment of functional relationships between places to determine the scale and nature of development appropriate to them.



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**2.5.6** With reference to the larger cities and towns, they tend to have a net inflow of commuters drawn mostly from the surrounding area although longer distance commuting on the region's trunk roads and motorways is a growing trend. Recent work for the Office for National Statistics (ONS)<sup>9</sup> lists a number of possible reasons:

- Sustained increase in car use, which allows access to more workplaces
- Fewer jobs in traditional sectors, where local working was common
- Diffused job opportunities (for example employers de-centralising to city edges)
- Greater affluence, with more jobs at professional and managerial levels
- More double-earner households who cannot live near both work-places
- More complex working patterns (for example people who work partly at home)

**2.5.7** Over half of the TTWAs in the South West had a 2001 self-containment level (people living and working in the same area) lower than the minimum required for the 1991 TTWA definition (65%), suggesting that changing journey to work patterns are likely to be a factor impacting on the poor 'eco-footprint' of the region.

**2.5.8** Fundamental to the achievement of a more sustainable region (as highlighted in Policy SD1) is the need to ensure that in future the need to travel (particularly by car) is reduced by creative planning of new development. What is clear is that as jobs increasingly concentrate in the main centres, a dispersed pattern of housing development in future is likely to worsen existing trends and result in failure to deliver against sustainable development policies. A better balance between homes and jobs through careful planning and investment in both rural and urban locations is required. Continued economic development in the market towns and in smaller settlements and rural communities will help address specific issues and deliver appropriate levels of local job creation, providing people with local opportunities so as not to fuel unsustainable travel patterns. RPG 10 has established that focussing large-scale housing provision at existing centres is the best way of accommodating large-scale change.

<sup>9</sup> *Travel to Work Areas and the 2001 Census: initial research. Final report to the Office of National Statistics, University of Newcastle (2005).*

## Sub-Regional Relationships Between Places

**2.5.9** One of the roles of the Draft RSS is to set in place sub-regional policy for places where, as a result of the removal of Structure Plans, there are 'strategic policy deficits'. In the case of the South West, the larger and functionally most complex cities and towns are the places where more detailed sub-regional strategies are needed. To enable sub-regional strategy to be developed a number of 'Joint Study Area' (JSA) studies were carried out, led by the strategic authorities, and these studies, along with the 'first detailed proposals' of the strategic authorities form the basis of Section 4. Joint Studies were carried out for:

West of England: Bath, Bristol,  
Weston-super-Mare and associated towns

Plymouth and South East Cornwall and associated towns

South East Dorset: Bournemouth, Poole,  
Christchurch and associated towns

Swindon area

Exeter area

Torbay

Taunton/Bridgwater area

Cheltenham and Gloucester

In addition, in Cornwall, in the absence of a single larger urban area, a study was undertaken to examine the role and function of 14 towns to assess their individual and collective significance to this part of the region.

### 2.5.10 The functional approach to Spatial Strategy means:

- **The identification of settlements in the Draft RSS should avoid creating a hierarchy of cities and towns determined on population size, and should be based on selecting significant places because of their role and function. This is an important point to note, distinctly different from the approach of RPG 10**
- **The majority of new development needs to be focused at the strategically significant settlements, in a way that encourages a better balance between homes and jobs**
- **Elsewhere, the policy approach for individual settlements, and the level of appropriate development, should reflect evidence relating to a given settlement's role and function, its significance locally and the sub-regional context**
- **The nature of the region requires a 'fine grain' approach if places are to develop as sustainable communities and, as such, a single region-wide approach to development would not be appropriate**