



Campaign to Protect  
Rural England

# Local Democracy, Economic Development and Construction Bill

## House of Commons Second Reading

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### **A briefing from the Campaign to Protect Rural England**

The Government is pressing on with its proposals to reform the planning system. Following the *Planning Act 2008*, which changed how major infrastructure projects will be dealt with in the planning system, the *Local Democracy, Economic Development and Construction Bill* will reform regional planning. It will integrate the Regional Spatial and Regional Economic Strategies to form a single Regional Strategy, abolish Regional Assemblies and pass responsibility for regional planning to the Regional Development Agencies and local authorities.

CPRE welcomes the Government's aspiration to increase community involvement in decision making. We have always believed that the planning system exists to manage land use change in the interests of society as a whole. To ensure the system has legitimacy and public confidence it needs to recognise and respond to public concerns.

We are concerned however that some parts of the Bill will have the opposite effect and result in local communities feeling even more confused about, and disengaged by, the planning system.

The scrutiny to date by the House of Lords has illuminated, but not alleviated, these concerns, so it is vital that these issues are fully considered when the Bill is debated in the House of Commons.

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# Local Democracy, Economic Development and Construction Bill – House of Commons Second Reading

Part 5 of the Bill takes forward the Government’s plans to reform regional planning. Proposals were originally set out in the *Review of Sub-National Economic Development and Regeneration*, published in July 2007. Although these proposals have evolved slightly since that document was published, many of CPRE’s key concerns remain. In particular, we are worried that in making these changes to regional planning the Government aims to give it an overriding economic focus.

Regional plans set out visions for what an area will look like in 15 to 20 years’ time. They include targets for how many new homes should be built, where they should go and when they will be built, and the transport links and industrial development that will be needed to support them. These targets should be accompanied by robust policies for the protection and enhancement of the natural and historic environment.

It is essential that regional plans are not simply seen as a mechanism for delivering economic growth and 3 million new houses by 2020. They should promote environmentally sustainable development. There is a need for more affordable homes, but the affordability problem will not be solved by the current approach, which involves central dictation of undeliverable housing targets to the regions. If the Government continues to press for such high housing targets in regional plans, with little or no regard for the environmental constraints in each region, the quality and character of the English countryside will be threatened, but there will be little corresponding improvement in affordability.

As Baroness Andrews stated during the Bill’s Committee Stage in the House of Lords, if regional plans are to be meaningful, they must be deliverable (*see quote below*). Unrealistically high housing targets do not necessarily result in all of the envisaged houses being built, but sufficient land still has to be allocated by local authorities for development. This increases the likelihood of greenfield land being built on because it is cheaper and easier to develop than previously developed, brownfield, sites that need to be regenerated.

Current plans have taken years to develop. Although we agree that Regional Spatial Strategies are not perfect, ‘streamlining’ the process by which regional plans are developed by reducing opportunities for local people and stakeholders to feed in is not the answer.

If regional planning is to be reformed, this should be done in such a way that future plans set out a vision for sustainable development throughout England. There must also be opportunities for local communities and stakeholders to feed into the process. To ensure this happens, we would like to see some key amendments made to the Bill before it becomes law.

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## WHAT THE MINISTER SAID ...

**Ultimately, if something is not deliverable, it is meaningless and there is no point in having a strategy.**

Baroness Andrews, Parliamentary Under Secretary of State for Communities and Local Government, 9 February 2009, speaking about Regional Strategies during Lords’ Committee Stage

# CPRE's Concerns

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## Local Authority Assessment Duty

CPRE understands that the aim of the economic assessment that responsible authorities will be required to undertake under Clause 65 is to help facilitate sub-regional collaboration. This should also be a useful part of the evidence base on which Local Development Frameworks and Regional Strategies should be developed.

Local and regional planning should not, however, focus solely on economic growth. Equal weight should be placed on environmental and social considerations. We believe, therefore, that an assessment of the environmental conditions of an area should also be required to be undertaken by local authorities. As with the economic assessment, this would be a valuable element of the evidence base underpinning the development of plans.

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## Regional Strategy – what it will cover

Regional Strategies cannot simply be Regional Economic Strategies by a different name. To deliver a sustainable vision for the region each Strategy will need to take into account environmental, social and economic issues within each of its policies.

We welcome Clause 67, subsection (2)(a), which states that the Regional Strategies should set out policies in relation to 'sustainable economic growth' in the region. The term 'sustainable growth' has been used previously in Public Service Agreement (PSA) delivery agreement 7, where it is defined as 'economic growth that can be sustained and is within environmental limits, but also enhances the environment and social welfare, and avoids greater extremes in future economic cycles'. To ensure that the meaning of this term is clear when the legislation is implemented we would like to see this definition placed on the face of the Bill.

The mitigation of, and adaptation to, climate change are vitally important at the regional level. In order to ensure that sustainable economic growth can really be achieved, however, climate change should not be seen as a proxy for wider environmental concerns. CPRE would like to see reference to the need to address broader issues in

the new Strategies. We recommend that these include policies relating to the protection and enhancement of biodiversity and landscape.

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## Development of Regional Strategies

Clause 75 sets out the process by which the Secretary of State will approve a draft revision of a Regional Strategy. As currently drafted, the Secretary of State can make modifications to the draft Strategy at this stage and has the right to determine who to consult. This exclusive discretion for the Secretary of State is in contrast to the current process for the revision of the Regional Spatial Strategy (RSS). In line with established procedure, we believe that any interested person should be able to contribute at this stage of the planning process, and it should not be at the discretion of the Secretary of State to decide who can.

CPRE believes that it is vitally important that those living and working in the region are able to feed in to the development, and have ownership, of the Strategy for that area. Under the current process for revising a RSS, set out recently in the *Planning and Compulsory Purchase Act 2004*, if the Secretary of State proposes to make any changes to the draft revision they are required to publish these changes for public consultation.

If the Secretary of State decides to modify the Strategy at this stage in the process, these changes must be published for consultation so that any person can submit views on them. These views should then be taken into consideration before the final Strategy is published, as is currently consistent with the process for developing RSSs.

CPRE also believes that the Bill needs to be clearer about community involvement in developing the new Regional Strategies. Clause 72 sets out that a statement regarding community involvement should be prepared and published. It is unacceptable that the decision about who should be consulted is left to the Regional Development Agencies (RDAs) and the Local Authority Leaders' Boards, as 'responsible regional authorities'.

Environmental, social and economic stakeholders, as well as local communities, have played a vital role in the development of RSSs to date. They should play an important role in regional planning in the future. We do not believe that leaving the responsible regional authorities to involve ‘persons who appear to them to have an interest’ in the development of Regional Strategies is sufficient to secure public confidence in their role.

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### RDA as a responsible regional authority

The Secretary of State for Business, Enterprise and Regulatory Reform is the lead minister for PSA 7, which focuses on the economic performance of the English regions and defines sustainable growth as set out above. The RDAs will play a significant role in the delivery strategy for this PSA. They will also have joint responsibility for developing the Regional Strategy. They will therefore have a more significant role in strategic regional planning than they have had to date. In light of this, CPRE believes that the sustainable development duty in Clause 70 is not broad enough for the RDAs. While we welcome the decision in the House of Lords to reposition this Clause to give the Government’s commitment to sustainable development more prominence, we do not think this sufficiently addresses our concerns. The duty should not simply apply to the RDA’s work in relation to regional planning, but to all that they do.

We recommend that the five elements of the purpose of the RDAs, as set out in the *Regional Development Agencies Act 1998*, should be amended by this Bill. The caveat, which states that the RDAs are only required to contribute to the achievement of sustainable development ‘where it is relevant to its area to do so’, should be removed.

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### Sub-Regional Collaboration

CPRE understands the Government’s desire to facilitate means of sub-regional collaboration. We are concerned however that increasing opportunities for sub-regional collaboration may further confuse communities about how local authorities operate. As well as creating

Economic Prosperity Boards (EPBs), which may or may not be combined with the functions of integrated transport authorities, the legislation also creates ‘Multi Area Agreements with duties’ to complement non-statutory MAAs. We feel this push for further collaboration could result in local communities becoming even more disempowered and reduce their ability to engage in, and influence, local decision making processes, therefore directly contradicting the aims of other parts of the Bill. In light of this, further consideration should be given to the need for the creation of so many different arrangements for sub-regional working.

We are particularly interested in the creation of EPBs, as set out in part 6 of the Bill. The Boards will focus on promoting the economic development and regeneration of the area they cover. Clause 88 sets out powers by which the Secretary of State may provide for a function of a local authority to be exercisable by the EPB.

In her evidence to the Business and Enterprise Committee inquiry on 15 December into the future role of the Regional Development Agencies, Bernadette Kelly, Executive Director for the Department for Communities and Local Government, clearly stated that one function that could be passed to the EPBs was planning (*see quote below*). CPRE finds this possibility deeply disturbing.

If EPBs are to be created we believe that the functions that can be passed to them should be limited within the legislation and, therefore, that clause 88 in particular should be reconsidered. We do not believe that planning powers should be passed to the EPBs. The planning system should not, and cannot, be focused solely on delivering economic growth. The aim of spatial planning, as introduced by the *Planning and Compulsory Purchase Act 2004*, is to widen the focus of planning beyond simply land use, not narrow it down to improving the economy.

The Government and this Bill should recognise the importance of ensuring equal weight is placed on economic, social and environmental issues in land use planning, and the need for democratic accountability. Planning should not be a function which can be undertaken by EPBs rather than local authorities.

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### WHAT THE OFFICIAL SAID ...

**‘Planning is a choice. [Local authorities] could...choose to collaborate in producing a plan which covered the area which the local authorities were a part of. Rather than all individually producing local authority plans they could work together to produce a plan.’**

Bernadette Kelly, Executive Director, Department for Communities and Local Government, 15 December, talking about the powers that could be passed to EPBs