

## PART B – FUTURE SCENARIOS

### 6 Sub-regional objectives for economic regeneration

6.1 The setting of economic objectives in a Sub-Regional Study is seen as expressing a strategic direction rather than attempting to set a precise course. They are therefore necessarily strategic in nature and to that extent imprecise but sufficient for current purposes.

6.2 These strategic objectives stem from the acknowledged need for economic regeneration. They are based upon a number of sources including the themes and aims of the four Area Investment Frameworks for the sub-region and the outcome of the strengths, weaknesses, opportunities and threats (SWOT) exercises undertaken by the Officers Advisory Group and the Members Steering Group as part of the Study. They have also been influenced by findings of consultants' research on the structure and dynamics of the region's economy.

6.3 There is a notable degree of consistency between these sources in their analysis and diagnosis that gives some confidence of the robustness of the agreed economic objectives set out below. Further brief explanation is given in italics beneath each objective which are not shown in any priority order.

#### The objectives

- Encourage business development and enterprise and raise aspirations  
*Advice, marketing, start ups, create enterprise culture and entrepreneurs, aim higher.*
- Encourage growth sectors of the economy, retain existing firms and attract inward investment  
*Retain and build on existing strengths – inc. tourism education media and culture, look to develop high value sectors inc. high technology and knowledge based enterprises, seek inward investment (although this will not be easy until other ingredients in place).*
- Raise skill levels of the current and future workforce to match the needs of the economy in all sectors  
*Widen incidence of higher level qualifications, and develop technical & vocational skills at all levels, encourage graduates to remain in area, reduce proportion of workforce with no qualifications, increase participation levels in higher education, develop Higher Education Institutions, enable adaptability of workforce.*
- Achieve a better balance between labour supply and demand and increase the quality of jobs  
*Ensure there are enough jobs of sufficient quality to retain workforce and reduce out-commuting and unemployment, commuting into the towns would not be a weakness.*
- Ensure a high quality transport infrastructure for the movement of people and goods that enables the sub-region to integrate and compete effectively with the rest of the South East  
*Press for/develop better road and rail links internally east-west and externally to Crawley/Gatwick, London, S. Hants. Ashford and mainland Europe, maximise infrastructure capacity and travel choice through demand management and support for more sustainable modes of travel, reduce the sub-region's peripherality and increase its attractions as a business location.*

- Promote the increased availability and use of broadband ICT connectivity for high speed information transfer  
*Support the further growth of creative media and other knowledge industries, help and encourage businesses to exploit the full potential of web-based communications technology.*
- Maintain and enhance the quality of life, environment and cultural assets  
*Protect urban, rural and coastal environmental quality/character as an asset to the economy, develop cultural/heritage functions, town centres and a vibrant urban life, make it a place where skilled people/entrepreneurs want to live and business wants to locate, need to respond to climate change.*
- Enable the supply and quality of sites and premises for business to match its requirements and allow the economy to grow and prosper  
*Ensure sufficient sites of right scale and quality are available for economy to grow and adapt, encourage renewal of outworn sites and premises, be flexible in mixed use schemes to aid viability of marginal sites, allocate new sites to meet business requirements, allow genuinely redundant sites to go to other uses.*
- Reduce economic deprivation, crime and social exclusion and improve the health of local communities  
*Increase access to affordable housing (including for key workers), improve public transport and social infrastructure, improve access to social and health facilities, promote active leisure and recreation opportunities/facilities, target support at most deprived areas/sectors.*

### Economic futures

6.4 The Study also considered the potential economic futures. These were expressed in terms of high or low economic growth coupled with high or low employment growth and designed to establish a broad economic direction that was considered to be the most desirable and attainable for the sub-region.

6.5 At a workshop session participants were asked, following a discussion of the issues raised by different potential economic futures, to indicate how desirable and attainable they considered each scenario to be for the sub-region.

6.6 A clear pattern emerged which overwhelmingly regarded a low economic growth and low employment growth scenario as achievable but undesirable and a low economic growth high employment growth as both undesirable and unachievable.

6.7 The two scenarios involving high economic growth were both strongly regarded as desirable, but with less agreement as to whether this would be most achievable accompanied by high or low employment growth.

6.8 This gives a very clear steer towards a future that seeks higher economic growth, but with less certainty as to the amount of employment growth we should aim for. It perhaps also reflects that different approaches to employment growth may be appropriate for different parts of the sub-region.

6.9 Doubts about how achievable high economic growth would be reinforce the view that considerable effort will be needed to make significant progress in regenerating the sub-region's economy.

## **7 Testing development scenarios**

### Context

7.1 Although there are variations in economic strength among the different coastal towns, the economy of the sub-region as a whole is weak and below regional averages. Concerted policy and interventions are required to achieve sustainable economic regeneration and reduce regional disparities. Economic growth and employment growth cannot be taken for granted, certainly across the whole of the sub-region. Indeed in the eastern part of the sub-region, at least, there is concern that job growth is not matching workforce growth.

7.2 Yet, the pressure for development in the sub-region is largely housing led and national and regional planning policy expects prescribed amounts of housing growth to be delivered. Demand for housing is generally buoyant but, again, progressively weaker further east of Brighton. Most of this demand is, numerically, migration led, as illustrated by the results of the population and household projections to 2026 commissioned by SEERA. The 'zero net migration projection' shows that there would be substantial population decline in East Sussex and Brighton & Hove were there no net inflow of people moving into the area and, consequently, no quantitative requirement for any additional housing development. Under the same scenario for West Sussex as a whole, there would be a smaller population decline and, numerically, an overall requirement for only 8,500 additional dwellings. Although results at sub-regional level are not available, it is likely that such characteristics will be even more pronounced in the coastal towns where household sizes are lower than county averages and the age structure is even more weighted towards older age groups.

7.3 In other words, in pure quantitative terms, there is virtually no locally generated demand to provide additional housing in the sub-region. More people are dying than are being born and this more than offsets the trend towards smaller households in terms of future housing requirements.

7.4 It is currently not possible to make any precise judgements about the future balance of labour supply and demand across the sub-region. At this stage of the work, there has been insufficient opportunity to take account of the demographic projections and employment forecasts for the sub-region that have recently been made available by SEERA. In any event, our ability to compare projections of prospective labour demand with potential labour supply is complicated by the fact that the latter will depend to some extent upon the scale of housing development that the sub-region may be expected to accommodate (which itself has yet to be determined). However, we do know that the 2001 Census shows that the Sussex coastal towns sub-region is a major exporter of labour. Approximately 55,000 more people travel out of the area to work than commute in, and even Brighton & Hove has a net commuting outflow of over 5,000 persons.

7.5 This strongly suggests that whatever scale of additional housing is provided in the coastal towns it needs to be at least matched by corresponding employment growth or it will lead to the less sustainable consequences of more out-commuting, more retirement migration and/or higher unemployment.

### The scenario testing process

7.6 Within this context the study has explored the prospects for, and implications of, accommodating additional physical development up to 2026.

7.7 For the testing process the narrow strip of coastal towns and their immediate hinterland was taken as the "driver" of the planning issues to be resolved, but set in a rather wider area up to 12 miles inland.

7.8 The process involved a participatory workshop session with officers, members and other stakeholders, which explored the ability of the sub-region to accommodate additional physical development, given certain assumptions. Although the testing process had to use a numerical starting point and considered specific locations for development, it was the general themes, patterns of development and the conclusions that can be drawn from them that were sought.

7.9 The testing process was specifically designed to examine a broad spectrum of potential choices. At SEERA's request two levels of development were tested to identify the issues and impacts that seeking to accommodate such scales of development would generate. These were chosen as illustrations only and do not imply any policy commitment or suggestion that the ultimate requirement should fall within that range. The scales of development explored were:

- a continuation of RPG9 rates of housing development to 2026; and
- a rate 30% higher than RPG9.

7.10 With the overall aim of economic regeneration of the coastal towns, two scenarios were tested that considered where and how to best locate development, assuming the given levels of growth. Both scenarios took a "sequential approach" to identifying development locations, with one respecting environmental designations wherever possible and the other keeping development as close to the coastal towns as possible even if this meant some compromise of the environmental designations.

7.11 In order to widen the range of options considered a third scenario was tested which looked solely at the higher (RPG9 + 30%) rate of development with a "free hand" and the ability to set aside environmental constraints. The purpose of this test was to see if any bolder or more radical options emerged from considering the issue in a different way, unconstrained by the sequential approach that can lead to disjointed incremental solutions.

7.12 It was assumed that development in existing structure plans would be developed in the manner proposed. This, therefore, gave clear strategies at RPG9 rates for East Sussex and Brighton & Hove to 2011 and for West Sussex to 2016.

7.13 For the purpose of these tests, it was also assumed that there would be a continuation to 2026 of current expectations of development within the coastal towns, although these assumptions themselves have yet not been tested. The assumptions were based on:

- recent average rates of actual completions on unidentified sites in the East Sussex coastal towns and Brighton & Hove; and
- structure plan targets for previously developed land in the West Sussex coastal towns.

7.14 Thus the theoretical amounts of development to be accommodated in the testing process were net residual requirements. Full details of how these figures were calculated are given in Appendix 8.

## Results

7.15 The testing process proved very challenging and was not easily accomplished, and in one scenario workshop it was not even fully completed. Nevertheless, the exercise revealed valuable results about the nature of the strategic choices available which technical officers have been able to analyse and from which broad conclusions have been drawn. However, some key strategic information remains unavailable (for example, detailed travel to work patterns from the 2001 Census) which has left areas of uncertainty that have limited the breadth of analysis it has so far been possible to undertake. Furthermore, given the time constraints, the testing and subsequent

analysis has been undertaken at a broad strategic level and inevitably covers only the major constraints, opportunities and issues.

7.16 A more in-depth and detailed analysis will almost certainly reveal further limitations to and caveats on the conclusions drawn here about the strategic choices available, the broad patterns of development and the ability of the sub-region to accommodate different levels of development in a sustainable manner. For example, many more local environmental and physical constraints had to be left out of the analysis at this scale. It must be appreciated that a more detailed analysis of specific development locations can be expected to reveal additional limitations that will tend to reduce potential development capacity yet further. Nevertheless, the strategic choices identified and the broad conclusions drawn from them are robust for this sub-regional scale of working. However, a more rounded and finer grained analysis will be needed before any firm planning decisions could be taken on strategic development locations, their capacity and the overall potential of the sub-region.

### Key themes/conclusions

7.17 The most striking initial conclusion is how extensive the major environmental and physical constraints are in the sub-region and how little physical scope remains outside existing urban areas for sustainable development, irrespective of any economic or infrastructure constraints.

7.18 Clearly this key finding will have significant implications for the overall scale of development that could be accommodated along the Sussex coast. At the same time, from the work undertaken, four main physical development patterns or themes emerge as the key strategic options (which are not necessarily mutually exclusive) for locating development within or 'near to' the sub-region. These strategic choices are:

- development concentrated within the existing urban areas;
- more dispersed development along the coast that avoids major environmental constraints;
- more concentrated development closer to the coastal towns but which may compromise some environmental constraints; and/or
- development further inland, some distance from the coastal towns.

7.19 The study's main findings in respect of each of these development patterns is discussed in turn below, with further details provided in Appendix 9.

### Urban capacity

7.20 The degree of development within the towns expected in current structure plan provisions is already at or close to 100% for some local plan areas - a reflection of the stringency of the environmental constraints and lack of scope for peripheral expansion. The potential for development within urban areas will continue to be crucial to the sub-region's ability to accommodate further development.

7.21 In order to reflect government policy on the sequential approach to development planning, the testing process was set up in a way that made urban capacity a central feature of all scenarios tested. The testing process allowed for rates of development within the towns to be increased above that already assumed, provided this could be justified and the impacts identified. This central assumption would accommodate almost half of the residual requirement (beyond that contained in existing structure plans) needed to achieve the RPG9 rate. However, it is important to note that this assumption itself was not explicitly tested and it remains an area of some uncertainty.

7.22 Nevertheless, the testing process revealed some willingness to try and increase the assumed long-term rates of development within towns, but no clear justification or mechanisms were suggested except “increasing densities”. It was apparent that where these suggestions were made it was more out of a sense of duty or expectation to minimise greenfield land take rather than based on sound evidence. Even so the additional expected yield was modest. There was certainly no collective considered opinion that felt such rates could be dramatically increased.

7.23 We have strong doubts about the sub-region’s ability in reality to increase rates of development within its towns. Indeed, because of the uncertainty mentioned above, there is scepticism about being able to maintain existing rates to 2026 as assumed. Some even considered urban yields would begin to decline in 10 years or so. The impact of the environmental constraints around the coastal towns has meant that they have been intensifying development within their boundaries for many years and urban densities are generally high. For example, in the sub-region as a whole almost a third of the housing stock is composed of flats or apartments, which is 50% higher than regional or national averages (2001 census). The percentage of this stock that is in conversions (rather than purpose built) is also notably higher than regional and national averages, although the smaller towns tend to have a lower proportion of conversions, as might be expected.

7.24 The wisdom of seeking further urban intensification in such a coastal location where considerable areas of existing towns are at some risk to flooding is questionable. This is especially so, given the potential impacts of climate change where the flood risk areas may become more extensive in the longer term and/or the risk of flooding dramatically increases. These potential impacts require further detailed work that has not been possible to undertake in this study.

7.25 Clearly, the results of the impending regional urban potential assessments will be important in shedding further light on this issue and reducing some of the uncertainty regarding longer term potential.

7.26 Targets for development within urban areas need to be challenging. In a plan-monitor-manage regime, setting urban development targets that err on the side of optimism have their attractions. Coupled with sophisticated phasing policies to manage the release of greenfield sites in response to the flow of development delivered on urban sites can help minimise greenfield land-take. However, in local plan areas along the Sussex coast where there is so little greenfield site potential this flexibility is not a realistic option. Setting high urban capacity targets that are not met by the market in these areas will only result in an under-provision of housing requirements overall, as there is virtually no greenfield site potential that could be substituted. Therefore, it is crucial that in setting housing provisions for the south coast towns, targets of urban capacity are not over-estimated, as for many that will be the only source of supply.

7.27 Furthermore, if the overriding aim for the sub-region is to achieve a real economic regeneration, there is a strong argument that less priority should be given to housing in these tight urban areas and more to economic development and social infrastructure, such as schools, medical facilities etc.

7.28 For these reasons it is our opinion that certainly no more than a continuation of current rates of development within towns should be assumed for the period up to 2026 and only then if strong evidence from the regional urban potential study substantiates it.

#### Development beyond urban areas

7.29 Outside urban areas there is very little land that is not covered by national environmental designations or other major physical constraints. This is particularly so between Eastbourne and Worthing, where the Sussex Downs AONB in particular is so tight around the urban edges, there is virtually no unconstrained greenfield development potential. Ironically this area, centred on

Brighton & Hove, contains the largest economy and has the best strategic communication links with the rest of the region.

7.30 East and west of that central conurbation these designations become relatively less constraining, but still there are few major development opportunities. Further inland, north of the Downs, there is more land unconstrained by these major designations, but it is relatively remote and mostly detached from the coastal towns.

#### A – Priority to respecting environmental constraints

7.31 Following the sequential approach to development enshrined in national planning policy guidance (PPG3) and observing the national and regional level environmental constraints, would inevitably lead to a generally dispersed pattern of development along the coast that does not relate well to the existing towns, even at the RPG9 rate of development.

7.32 South of the Downs there are very few locations where it seems possible to locate more than 1-2,000 dwellings in any one place without infringing the major constraints. Even fewer are close to the main coastal towns and virtually no opportunities exist in the central Worthing – Eastbourne conurbation.

7.33 Giving priority to protecting the major designations of environmental character and quality of the sub-region places severe limitations on the room to manoeuvre. Because of this scarcity of relatively unconstrained areas close to the towns, there is little opportunity for developing a coherent strategy that would aid the regeneration of the coastal towns as a result of following this approach, if these levels of development were to be accommodated. It would tend to produce a dispersed pattern of development in places where unconstrained land occurs. The higher the growth rate, the more difficult the task becomes and the more likely that the coalescence of small settlements will result. This approach would certainly polarise development east and/or west of the central conurbation, even at rates of development less than RPG9. At the higher rate “overspill development” further inland north of the downs would probably be necessary. See Appendix 9 for further details of this scenario.

#### B – Priority to keeping development close to the towns

7.34 A slightly different interpretation of the sequential approach to development was also tested. This gave priority to keeping development close to the existing towns over the protection of the major environmental constraints. The rationale for this is that it may offer a more sustainable pattern of development for the towns themselves with development opportunities that may better assist in their regeneration.

7.35 A much more coherent strategy of concentration focussed largely on the edges of the main towns would be possible under this approach, but not surprisingly at considerable expense to the major environmental constraints. The greatest encroachment would be into Grade 1 and 2 agricultural land and AONB/proposed National Park. Nevertheless, in the testing process these constraints were not irresponsibly disregarded or set aside wholesale – they were only sacrificed where it was believed possible to achieve an otherwise sustainable development location.

7.36 The freedom offered by this scenario would allow a much more even distribution of development across the sub-region. However, it would be virtually impossible to achieve the RPG9 level of development without, either encroaching into protected areas or locating some development north of the downs. Such encroachment becomes inevitable with an overtly urban focussed strategy, if the sub-region is to accommodate the higher level of development. Reducing the impact on environmentally protected areas would necessitate development further inland particularly at the higher level of development.

7.37 A substantial relaxation of the protection of major environmental designations would therefore give the opportunity to achieve a better shape to development patterns and the freedom to select towns which are otherwise appropriate for growth. This would maximise existing physical and social infrastructure in the towns but, critically, still implies further major investment especially in transport. In terms of Government policy, it may be easier to sacrifice good quality agricultural land than AONB or prospective National Park land. This, and the relatively less extensive constraints in the east, would lead to development gravitating to towns west and east of the highly constrained central conurbation. However, if constraints are sacrificed (at high cost), it need not lead to so polarised or dispersed a development pattern as an approach that respects them all. See Appendix 9 for further details of this scenario.

### C – Development further inland

7.38 The results of testing all three scenarios concluded that some degree of development would have to be located inland, north of the downs, if these levels of development tested were to be accommodated. The two sequential approach scenarios resorted to relatively minor amounts of development inland, at the end of their sequential searches. However, the third scenario resulted in a radically different pattern of development in which the majority was located further inland north of the downs.

7.39 This third scenario, which had a “free hand” and sought to accommodate only the higher rate of development, was deliberately designed to allow a significantly different perspective to be taken from the sequential approach. In looking from the “top down”, it was immediately recognised that if the higher level of development was to be accommodated, the strategic choices were either, substantial sacrifice of the wide-ranging environmental constraints around the coastal towns, or focussing the majority of development inland north of the Downs. The strategic choice made in this test pursued the latter rather than the former.

7.40 This produced a seemingly more sustainable strategic pattern of development with almost 60% of the growth located along the three main rail corridors in the Low Weald north of the Downs; significant additional development assumed within the towns through further increases in urban density; and modest greenfield development south of the Downs.

7.41 This rail-based option itself raises choices regarding distribution and whether development should be dispersed along the corridors or concentrated in one or more locations including a new settlement option. Yet, whatever the precise distribution, there are major disadvantages with this pattern of development.

7.42 There is little to be gained by the coastal towns from a strategic approach that deliberately turns its back on them and seeks primarily to locate development further inland along railway corridors north of the downs. It is judged more likely to hinder regeneration of the coastal towns than help it. The north south transport links that would be relied upon to connect the development with the coast are not good. For the most part they cross the AONB and perhaps should not be encouraged to take more traffic. Major investment in road transport would be needed, as development of this scale could not rely solely on rail connections. The Low Weald will also have its own locally generated development needs to accommodate and part is likely to come under pressure for development from further afield such as Crawley/Gatwick. Such a strategy appears to owe more to the “need” to accommodate development for its own sake than to a strategy for the economic regeneration of the coastal towns. See Appendix 9 for further details of this scenario.

## **8 Relationship of the coastal towns to adjoining sub-regions**

### Links with the Crawley/Gatwick area

8.1 There is some physical and economic overlap between the coastal towns and the Crawley/Gatwick sub-region such that the Brighton & Hove area falls within both. This was recognised in current RPG9, which seeks joint working to explore the means by which Brighton and the other coastal towns might benefit from economic growth of the Crawley/Gatwick area. However, the implicit contrast between the two economies lying behind that requirement appears no longer to be so stark. The economy of Brighton & Hove has forged ahead in recent years and has established itself as a driver of the local economy. In contrast, the economy of Crawley/Gatwick, although still strong, is causing some concern. For example, the slow down in the aviation related economy means the airport is now forecast to reach its capacity later than 2008 as previously expected and East Surrey/Crawley has not benefited from associated growth in the recent past. It is not clear therefore what, if any, economic benefits from Crawley/Gatwick could be spread more widely.

8.2 The primary requirement in RPG9 for the Crawley/Gatwick area is to accommodate its demands for labour in as sustainable way as possible close to the seat of demand. The Study for that sub-region has explored this issue, but has also considered the links between the sub-regions from the Crawley/Gatwick perspective. Its main conclusions in this respect are:

- the economic links between the sub-regions are weaker than previously assumed;
- there has been limited correlation between economic growth at Crawley/Gatwick and the coastal towns;
- the economic links along the coast with Brighton & Hove may be stronger as the city's economy has improved;
- there is no indication of a large pool of underused labour that could readily be accessed by employers at Crawley/Gatwick; and
- given the limitations on the coastal towns' ability to accommodate housing, the supply of labour available for Crawley/Gatwick might reduce in the future.

8.3 Thus the overall conclusion is that Crawley/Gatwick's demands for labour should be met as locally as possible, although this may need to spread a little more widely than in the past. Left open is the issue as to whether and, if so, how encouragement should be given to promoting links between the two sub-regions, but recognition is given to the importance of good transport links in this.

8.4 These conclusions reflect the earlier Cambridge Econometrics Study (2001) which investigated these sub-regional relationships. This concluded that: the economic links with Crawley/Gatwick are not very strong; the likelihood of firms relocating to the coast is low; and there is unlikely to be any major pool of surplus labour along the coast (except for Hastings/Bexhill) in the future up to 2016 that would be available to help satisfy demand at Crawley/Gatwick. They saw the greatest prospect for the coastal towns to benefit from Crawley/Gatwick lying in establishing new businesses or supply chains to serve the economy there as it grew.

8.5 However, the existence of a major international airport at Gatwick has considerable indirect benefits to the economy of the sub-region. It is an important positive factor for businesses when considering where to locate. The airport is also important in bringing international tourists to the sub-region, particularly to Brighton and Hove.

8.6 There are also important commuting links from the coastal towns to Crawley/Gatwick, especially from Brighton & Hove, but the scale and full pattern will not be properly understood until the 2001 Census journey to work statistics are available. What we do know is that the coastal sub-region based on whole districts) was collectively a substantial net exporter of labour in 2001. 55,000 more people travelled out of the coastal districts to work than travelled in from outside. Even Brighton & Hove has net out-commuting of over 5,000. This argues for an emphasis on more jobs in the coastal towns rather than more housing to accommodate commuters.

8.7 The main conclusions to be drawn from this study about the sub-regional relationships with the Crawley/Gatwick area are as follows.

- There are likely to be significant numbers of workers already commuting to the Crawley/Gatwick area from the coast and maintaining good quality road and rail links north is important.
- The extent of environmental constraints acting upon the coastal towns, especially the central conurbation most accessible to Crawley/Gatwick, severely limits their ability to increase housing supply.
- Therefore, it would be very unwise to deliberately seek to increase labour supply in this way specifically aimed at meeting Crawley/Gatwick's demands.
- Conversely Crawley/Gatwick cannot be expected to provide sufficient jobs or decentralise economic activity to resolve the economic problems of the coastal towns.
- In any event, there is uncertainty regarding the ultimate scale of Gatwick Airport and the role it will play in the region.
- Nevertheless, advantage should be taken for firms along the coast to establish/improve business links with Crawley/Gatwick as a potentially lucrative business market.
- The recent emergence of Brighton & Hove as an economic driver suggests priority be given to meeting its employment demands from the coastal area as far as possible.
- The regeneration of the coastal towns is probably best tackled along the coast through a measured response to pressure for housing growth, an emphasis on local job provision and improvements to east-west transport routes to help balance labour supply/demand along the coast.

8.8 From this it seems unwise to base a strategy for either sub-region on assumptions about the ability of the other to solve its problems, given the circumstances we face. The strategic approaches for each sub-region do need to acknowledge each other and should be co-ordinated. It is in the management of change and the implementation of strategies where perhaps the greatest scope for complementarity exists.

#### Links with East Kent and Ashford

8.9 The eastern part of the sub-region is close to the East Kent and Ashford sub-region, which includes the growth area of Ashford and a number of coastal towns. Many of these towns, like those in Sussex, are recognised as priority areas for economic regeneration (PAERs) in current Regional Planning Guidance. The Hastings/Bexhill area is only a little further away from Ashford than the Kent coastal towns.

8.10 Plans for growth at Ashford to 2016 have been advanced recently through Proposed Alterations to RPG9 and in the draft Kent Structure Plan to 2021. Broadly they seek to extend and accelerate past rates of growth. Ashford's longer-term growth status to 2031 has also been confirmed in the government's Communities Plan.

8.11 The choice of Ashford as a regional growth area was strongly influenced by its location at a strategic transport node with good road and rail links from London to the Channel Tunnel, Kent ports and mainland Europe. However, Ashford's transport links westwards to Hastings and beyond are much less well developed.

8.12 The recent Public Examination Panel's report into the RPG9 Alteration recommended that further consideration be given to setting the growth proposals for Ashford itself within the context of the poorer economies of the surrounding PAERs and giving guidance on how complementary growth between Ashford and these areas should be sought. The scope of the East Kent and Ashford sub-regional study will cover these aspects within Kent, but it is appropriate to consider here the potential relationship and opportunities for complementary growth of Ashford with the eastern part of this sub-region.

8.13 The East Kent and Ashford SRS has not yet reached any conclusions on these issues. However there are some pointers from this study, the Panel's report and discussion with the lead officer on the East Kent Study that are relevant.

- Economic links between Hastings/Bexhill and Ashford are not strong and are probably weaker than those between the Sussex coastal towns and Crawley/Gatwick.
- Transport links, both road and rail, between Ashford and Hastings are very poor.
- Ashford itself and the whole sub-region had net out-commuting in 2001 and the local perception is one of an economy more fragile than might be expected given its transport links.
- The growth planned for Ashford includes a large number of new houses, and there is a clear view that it should be accompanied by commensurate employment growth and not overtly become dependent on commuting to London and elsewhere, especially as improvements to its strategic transport facilities (such as CTRL domestic services and a new motorway junction) come on stream.
- Although the prospects for Ashford's economy appear better than those for the PAER towns, its success is not assured, given the expected pace of housing development. It is recognised that a substantially enhanced economic development programme and a change of image for Ashford are necessary to deliver the scale of job growth needed to match planned housing levels.
- Improvements in road and rail infrastructure from Ashford to Hastings and westwards are seen as vital ingredients to the economic success and mutual benefit of both sub-regions by connecting Ashford to the PAER towns in Sussex and also providing better access from the Hastings area to Ashford itself and on to the channel tunnel and ports.
- In particular, the A259 east of Hastings should be upgraded to a proper trunk road standard for lorry traffic, beyond the immediate safety improvements currently under investigation. Joint work should continue to lobby for rail improvements to the Ashford Hastings line to include electrification, track dualling and improved services.

8.14 In conclusion, the regionally significant growth potential at Ashford could offer some opportunities for the Hasting/Bexhill area, where growth potential is much less, to develop new business links with the town as it grows. However, certainly in the early years, it is unlikely to offer substantial economic benefits on a scale that would suggest the approach to regeneration of the coastal towns should be reconfigured in any way. The emphasis for the coastal towns should remain on increasing efforts to regenerate the economy locally. Nevertheless, regeneration strategies for both sub-regions should be developed and implemented in a way that aim to complement one another, rather than act in direct competition. Major upgrades of transport infrastructure between them are a vital component of economic revival.

8.15 There is a need to maintain close working relationships with the East Kent/Ashford sub-region to monitor progress, analyse new information as it emerges, seek a dovetailing of regeneration strategies and continue to press jointly for transport improvements.

#### Links with South Hampshire

8.16 Regional Planning Guidance (RPG9) identifies part of South Hampshire, Portsmouth and Southampton as a Priority Area for Economic Regeneration (PAER). Work on the core area by Hampshire County Council, Portsmouth and Southampton City Councils identified interaction over a wider area of South Hampshire and East Dorset with important transport and economic linkages. In addition, RPG considers that joint working is required for regeneration which will help tackle deprivation on the Isle of Wight. Priorities for action highlighted in the Regional Economic Strategy reinforce this need.

8.17 The western end of the Sussex coastal towns sub-regional study area adjoins the area now defined as the East Dorset, South Hampshire and Isle of Wight sub-regional study area.

8.18 Work on the South Hampshire etc. study is not yet complete. However, progress so far provides some pointers on the current and potential relationship between the respective sub regions, particularly in terms of housing, transport and employment linkages.

- Data suggests there is little movement to housing in South Hampshire from West Sussex. This may be offset by those seeking to move in the opposite direction but a detailed analysis will await results from the 2001 Census.
- Housing linkages are limited by high average house prices in areas of Coastal West Sussex adjoining South Hampshire.
- Limited information on journeys to work suggests South Hampshire is relatively self-contained. The dominant movement characteristics between that area and the Sussex Coast are car borne journey to work traffic along the A27 in both directions.
- Significant inward investment by outside firms relocating in South Hampshire and the adjoining West Sussex Coast is a rare event.
- Firms already in the area and wanting to relocate wish to move locally. Particularly strong ties are evident in the core urban area of South Hampshire.
- Labour markets are relatively localised. Higher house prices in West Sussex together with travel costs and congestion deter journeys to work westwards to South Hampshire except for higher paid employees seeking a better quality of life.
- Linkages in terms of retail expenditure are reflected in shopping on comparison goods. Portsmouth offers attractions for shopping from the east but any expenditure flow is likely to be offset by an important outflow from Hampshire, eastwards to Chichester.

8.19 The overall conclusion of a limited examination of existing and potential linkages between South Hampshire and neighbouring areas, including coastal West Sussex, suggest no significant or definite linkages to justify extension of the sub regional study area eastwards into West Sussex. However, it will be important to monitor progress and analyse new information due to become available in order to maintain an up to date view of the relationships between the sub-regions.

8.20 Maintaining effective east-west communication links will continue to be important but the relatively weak links between the sub-regions suggest that an objective should be to encourage a high level of self-containment between people, homes and jobs in the sub-regions. If successful this would help to moderate congestion levels and the need for infrastructure improvements, particularly on the A27 west of Chichester.