

EXAMINATION IN PUBLIC

CUMBRIA AND LAKE DISTRICT STRUCTURE PLAN

Held At:

Lake District National Park Authority  
Murley Moss  
Oxenholme  
Kendal LA9 7RL

Panel Members:

Panel Chair:	ADRIAN SMITH
Panel Member:	SIMON GIBBS
Panel Secretary:	FRANK HEWSON

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ISSUE 2.1

The Rural-Urban Balance  
(Policies ST 5 - 6)

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DAY 2 - 29<sup>th</sup> September 2004

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THE CHAIRMAN: Good morning, ladies and gentlemen. Can I welcome you to the second session of the Cumbria and Lake District joint structure plan EIP. My name is Adrian Smith and I have been appointed by the First Secretary of State to chair this EIP. On my right is Simon Gibbs who works for the Planning Inspectorate, and on my left Frank Hewson, our Panel Secretary, and Frank Lee, whom most of you will have met at some point, is our programme officer. Before I say anymore, I am just going to hand over to Frank Hewson who is just going to take us through the health and safety arrangements.

PANEL SECRETARY: (Fire safety arrangements read out and fire exits pointed out)

THE CHAIRMAN: Just briefly, the purpose of the panel, that is Simon and myself, is to introduce a debate on selected issues, and that purpose of the debate is to inform us in preparing our report, which in turn will assist the authorities in finalising the plan and taking it through its final stages towards adoption. The process we adopt is a very informal one, and one of us leads the debate – today Simon will introduce and lead the debate – on the subject following the topics that you have in front of you. We will probably from time to time individuals to participate, and then if you wish to speak, if you want to contribute towards the debate, put your name plate up on end. When you are brought in, please speak closely into the microphone and say who you are and which organisation you represent. That is for the benefit of our stenographers who are preparing a note of this meeting. If we introduce you by name, obviously you don't need to do that, but just to make sure that we know who you are. At some time in the proceedings, at the beginning or possibly at the end, we shall bring in the authorities to respond to the debate. I think that is probably all I need to say by way of introduction, so I will now hand over to Simon who will introduce this session.

MR GIBBS: Thank you very much. Yes, just a couple of preliminaries from my point of view. In terms of agenda, there isn't an agenda in the nature that there was yesterday, but we are following the questions (a) to (g) related to the topic 2.1, 'The Approach to Promoting a Sustainable Spatial Strategy', so if I refer to (b) or (c) I am referring to (b) or (c) on that document, and we will take them in the order (a) through towards (g). I think the first two are likely to take us a bit longer than some of the others, but we will progress as I say in an orderly fashion through them. That does not mean that people only can answer those questions, because there will be other points that people want to bring up, and as long as you do so in a relatively disciplined fashion I don't think I would sort of say, "Oh, you can't say that now", but obviously there may be occasions when I will have to do that; that is not to stop you saying it, but just to make you say it a bit later on rather than at that particular time. One other thing I would like to say, because I am sitting in a slightly eccentric position, if those of you who are on this side can tilt your label so that I can see them, I am sure Adrian will be able to see them as well then, but I will have slightly less problem. Thank you very much. I just want to say a little bit about this session and also its relationship to the next session, issue 2.2, because there are going to be areas of overlap between those. The purpose of this session is to look at policies ST5 and 6 and the relationship between ST5 and ST6, but also to look at the relationship between ST5 and 6 and the subsequent more detailed policies 7 to 10. Then of course there is ST11 as well, and there is a relationship back from ST11 towards ST5 and 6 which no doubt will be part

of our coverage. Today we are looking at ST5 and 6, but insofar as we need to look at how those relate to the more detailed policies, we are also covering that today. Tomorrow we will be looking at policies ST7 to 11 more individually. Right. Now, the other thing I particularly wanted to emphasise to you is that the area that I am looking to be informed and helped with is particularly the regional and the local dimension in relation to these issues. I like to think, I may be wrong, but I like to think that I have some understanding of the national picture, and I also tend to feel that I am gaining some familiarity with the regional context, but it is really useful to have my lack of knowledge of the local perspective rectified, and this is something I am very much looking for you as the participants at this examination to do. I actually said here that I had a woeful lack of knowledge of the local perspective, but that is perhaps going a little bit far. Anyway, I am very keen to hear what the problems are that you are faced with, especially what problems are peculiar to the locality, and of the different order of magnitude in this locality than within a broader region and particularly the national perspective. That is what I feel is particularly important to draw on to inform a document such as this structure plan. Now, I only wanted to go through those general comments in opening. I would like to look at topic (a), and, as I announced last night, I have not got a list of people who I particularly want to call on for various things, so I am looking to the participants to make their point, to state their claim, to make a contribution on these particular topics, so if half a dozen of you immediately now put up your labels to a vertical position I will not object. I will just read out what issue (a) is, and while I am doing that no doubt if there are those of you who are keen to get in there, you will do so. If none of you at that stage put your marker up, I will turn to the joint authorities and they will have to say something. It may well be that they want to jump in, so if they want to jump in they will do so. Anyway, issue (a): 'Does the plan provide an appropriate balance between urban and rural areas, and does this enable the social and economic viability of both urban and rural communities to be fostered in a sustainable way?' I have one bid from the Rural Regeneration Cumbria, so if you would like to come in, Mr Pealing.

RURAL REGENERATION CUMBRIA: Thank you. Richard Pealing, Rural Regeneration Cumbria. Before we start I just want to make a general point. I suppose I should have made it yesterday, but it is certainly worth highlighting today. Obviously, the way the debate went yesterday was looking through planning policy in terms of the national, regional and then the structure plan, and I just want to highlight an issue which is that clearly part of the process involves a wide range of other plans that exist and their interconnection with the Cumbria and Lake District joint structure plan, for example the Cumbria and District Strategic Partnership are currently preparing a subregional plan, which says things which are slightly different to the structure plan, and then we have economic regeneration programmes, Regeneration Cumbria for instance has a strategy, and we have a significant amount of money coming in to Cumbria in terms of funding through North West Development Agency and other bodies to influence regeneration programmes, and I just really want to make the general point, and I didn't notice it being picked up at all yesterday, is the interconnectivity of all of those programmes and plans which sometimes I feel in both the regional planning guidance and certainly the structure plan are not given sufficient weight.

MR GIBBS: Right. I take that as a general comment in relation to the overall plan. Is there anything you particularly want to add on matter (a) at this point. There are obviously colleagues flanking you who do wish to do so.

RURAL REGENERATION CUMBRIA: No. I will come in later, thank you.

MR GIBBS: Right. We have the Allerdale Borough Council and we have the Cumbria Inward Investment Agency. I would like Allerdale Borough Council first and then the Investment Agency.

ALLERDALE BC: It is a point that has already been alluded to yesterday. Whilst we are quite happy generally with the JSP's approach to the urban and rural balance, we do wish to make the point most strongly that we consider RPG to be a constraint on that, and as it stands in particular the housing targets in the RPG is a constraint actually on we believe in achieving that rural/urban balance, and we in Allerdale – well, our target isn't all that bad compared to say South Lakes or Eden in terms of past trends, and in the way it seeks to bear down upon housing approvals – but our target is now well below past trend and in particular in the rural areas, but in particular in northern Allerdale around the town of Wigton, and we consider that to be a severe constraint on actually reaching and meeting the aspirations of the JSP.

MR GIBBS: Right. This is clearly a message that we began to hear yesterday and had in writing. I would like to know whether there is anybody who wishes to endorse that particularly, and if there are any people who particularly wish to do the opposite. In terms of endorsements I think it would be quite suitable if people did actually raise their hands on that rather than feel they had to do it vocally, because we can take it pretty quickly. So in terms of the raising of hands we have pretty consistent from the far end of the table and from most of the area on the left hand side to me. On this side of the table can I just see where the people – certainly from Keswick Town Council, Grange Over Sands, Cumbria Inward Investment Agency and Rural Regeneration Cumbria. Right. Is there anybody who wishes to put a contra view before we move on to other matters. Friends of the Lake District have been very brave here in going into what is perhaps a lion's den, and then Chris Bamber for the Government Office is also seeking to confront a lion or two. Jack Ellerby.

FLD: We don't want to 100 per cent fundamentally disagree with the previous vote, but I think when we discuss housing needs on a subsequent day we will be demonstrating that perhaps past trends have not been based sufficiently robustly on accurate need surveys, and therefore some of the open market housing which has been allowed over the last 15 years in some of the key settlements within certainly east and south Cumbria have not identified local needs; they have been targeted open market in migration needs. So whilst I don't want to get into a debate on numbers and proportions on allocated sites of what should be affordable, local or open market, then all we are suggesting is a note of caution needs to be made on this issue.

MR GIBBS: Right. Does the North West Regional Assembly want to come in on this point or do I turn to Government Office at this point?

NWRA: Government Office first.

MR GIBBS: We are not seeking to have the whole of this debate at this point. We are getting a further response on it, and then we will move on to other matters more specifically connected with ST5 and ST6. Mr Bamber.

GONW: Yes. Thank you, sir. Just a few explanatory words. I don't want to suggest that there is not a problem existing or developing, but these words might serve as a context when we talk about housing later on. The approach of regional guidance was intended to meet stated purposes, and one of those concerns urban regeneration, not only in the region as a whole but also in this county, and meeting the problems of low demand in certain parts of the region and of this county. So there was certainly a deliberate intention that house building in rural areas should be restricted to assist, if you like, the focusing of developer interest in areas which need urban regeneration, and that is really what drove that. The question of where RPG housing figures are currently acting as a constraint is actually questionable in my view, because you will see when you look at the housing figures which have been presented, and which we will be discussing in due course, that in most of the districts in Cumbria house building is currently running at levels above the 5 year rate prior to 2002, so it is difficult to my mind to argue that RPG is having this effect when the RPG figures haven't actually taken effect yet. That leads really on to a further purpose of RPG, the approach of RPG, which touches on what Friends of the Lake District have said, which is that the government feels nationally and regionally and locally that there is a need for local authorities to exercise more discipline in how they handle or attempt to influence the operation of the housing market within their areas, and the point of the Friends of the Lake District is absolutely correct; the higher house building numbers in the past, which, as I have said, are still continuing, have not been targeted at meeting local need. The affordable housing problem predates regional guidance. So those really are qualificatory remarks, if you like. I made the point yesterday that if regional guidance imposed figures are causing problems or perverse consequence, or however you want to put it, then local authorities in particular but also developers can talk to us and we will look to ways of dealing with the problem within the context of those figures. We don't see that any purpose will be served at the moment in relaxing those figures until we are confident that local authorities are actually targeting housing provision at meeting local needs, and there are powers available which enable them to do that, and the structure plan is advancing proposals which will strengthen that approach. So at the moment if this is causing these kind of problems, then people can talk to us, and one or two local authorities already are, and if we are confident that the right results will be achieved by perhaps permitting developments which may not be otherwise permissible within the figures, then we will see what we can do, but we have not quite got there across a lot of the county. And then finally there is the point which Michael Gallagher will refer to, that the regional spatial strategy is due to be reviewed next year with a fresh housing formation projection so we can look at demand and then we can see what we should be doing to improve or rectify the situation.

MR GIBBS: Right. That statement, Mr Bamber, it may be a bit frightening to know, but his words have been written down by the stenographer and we will make sure that that is available in print to inform our debate next Tuesday. I want to give the Regional Assembly an opportunity to come in here, but then I would like to move more specifically back to ST5 and ST6, but there may be particular points that people feel need to be said at this point in response to what Mr Bamber has said. On the

whole, that debate will take place next Tuesday, but, as I say, there may be some particular points.

GONW: Can I just say one comment further to that one: I can make no promises on behalf of the Secretary of State or anybody else in government other than that we will listen and we will work with the local authorities, housing providers and others to see what can be done to get round these problems.

MR GIBBS: Right. Regional Assembly.

NWRA: Not wanting to open up the debate next week, just a few points I think...

MR GIBBS: You can open it up as long as we don't have it.

NWRA: Yes. A few points I would like to make: firstly, that on Monday RPG13 did become RSS and it is a statutory part of the development plan system. Whether you like the figures or not, and many people have different views about the figures, they are there and that is what we were given by the Secretary of State in the final version of RPG13 when it was published in March 2003, and the structure plan authorities have taken that figure as a figure for the county in trying to interpret that across the county just as all the other counties have done the same in their structure plans, both Lancashire, which went through an EIP earlier this year, and Cheshire, which is going through an EIP in January of next year. There will be an opportunity to relook at the whole issue of housing as part of the RSS process, which has actually started. The consultation on the issues paper began on Monday for a month. We will be certainly looking to be doing the detailed work on housing figures in early spring next year. We are about to commission, start the tender process for a piece of research to give us the demographic and economic growth information to inform that debate. We have already collected information on the supply side. We are aware of the issues of affordable housing. I would go further than Chris and say it has actually got worse in the last few years because of the market conditions. Everyone is aware of it, but, as Chris was pointing out, the effects of RPG13 are only starting to kick in now in policy terms. You are dealing currently with the legacy of permissions that were given before RPG came into force, and there is a massive backlog and a large number of commitments which are way in excess of the past trends, and even what was previously planned, and that needs to be borne in mind in context. That is all I want to say.

MR GIBBS: Right. I am not going to totally cut short this discussion, particularly the Chair wants to put a question I think to the Regional Assembly, but I would then like to know, those of you who specifically want to come back on this point rather than making a wider point, what I would suggest is if you want to come back on this point you are going to have to lift your actual marker up for a few minutes. Right, those two.

THE CHAIRMAN: Yes. Just a quick question for the Assembly just in terms of timescale. Can you tell us what is happening in the immediate future, now, next year; when would you expect the revised RSS to go to EIP for example? Is there a general timescale on this yet?

NWRA: The timescale we have got is we are due to submit draft RSS in summer 2005. That would probably mean round about September, but that date is not agreed yet; the project plan has not been agreed with Government Office.

THE CHAIRMAN: Autumn.

NWRA: September, that is classed as summer; it must go down on the record as summer 2005.

THE CHAIRMAN: Before the 21<sup>st</sup> of September.

NWRA: Yes. Government Office, I don't know if they have got any idea when the EIP will be.

THE CHAIRMAN: It will be about a year from that, I would guess, that is the normal timescale, isn't it, so we are talking about the autumn of 2006 when this issue will be debated in EIP in our assessment. Can I just ask one other general question as well? Just again for clarification, I think having heard views about the overall effect of RPG on the county, I don't think any participant – obviously there are widely shared views, widely held views around the table – but I don't think there has been any kind of comment to the effect that the cake has been cut incorrectly in Cumbria. That is my impression from reading your submissions. You are saying that as far as housing is concerned the cake is too small. But possibly with the exception of Barrow and Ulverston, the issue there which has been raised, I think with that one exception, I don't think anybody else is saying that the cake has been cut incorrectly and there should be more to the rural areas as against the key settlements. That is my impression from my reading of the further statements, and that is really what I want to check, so tell me if I am...

MR GIBBS: Yes, and in this context of today's debate, we are looking very much at the urban/rural rather than between the districts.

THE CHAIRMAN: Yes, the urban/rural split.

MR GIBBS: The danger is I would like just to pick up the two points on the area we were at first, which is from Barton Willmore and then from Allerdale, and then we will come to Mr Leach after that to respond to particularly the point that Adrian has picked up. So if Barton Willmore would like to comment.

BARTON WILLMORE: We are fully aware that RPG now RSS figures have been established, that they are there. Equally, we know that the RSS process is about to kick off, and I think it is fair to say that all housing providers would be more than happy to take advantage of the Government Office's invitation to engage in discussion with them on that particular issue. I think the concern here is that we have heard already that the impact of RPG, certainly in housing terms, has not been fully effected yet because we still have a legacy of permissions that were granted as part of the previous sort of planning policy framework, but the concern of course is that if provision is front-loaded, then the impact later on over the plan period would become even more of concern than it is now; it will get progressively more difficult for house builders and housing providers to deliver. That in turn of course then reinforces our concern that whilst at the moment in policy terms I think the balance of policy in this

plan is probably about right, the main problem is the ability of policy to deliver, and RPG figures I think are preventing the ability of the plan to deliver, and that will become more difficult as time goes on.

MR GIBBS: I think that is an important point again that you are making very much for next Tuesday's debate and is picking up on something that the Government Office has just said here. What I would like you to do is if you would like to amplify that in a very brief note – I know it is taking late material in for the examination – but what I would prefer to do, so that the Government Office North West have some of the argument that you are putting forward there about the response to the last point they were making about front-loading and over-supply, I think it might be helpful if you did that prior to Tuesday; if you got it to them for Friday evening, then they could look at it over the weekend – I am not just giving you homework overnight. But I will take Allerdale on this point and then I really want to get back to today's business. I know that there are incredibly important matters here and people may feel that they are more important than some of the more detailed points about ST5 and ST6, but the opportunity is to Allerdale.

ALLERDALE BC: Three acknowledgements in terms of what Chris Bamber has said. I think most of the districts acknowledge that we need more focus in terms of housing policy in terms of affordable housing and such like, and a problem in the past has been information, we haven't had the information, but that is a situation that is improving. Another acknowledgement, yes, RPG hasn't actually impacted much yet, not in itself. And finally, there are a lot of approvals out there. But I think I would like to make the point that we are at the top of the housing market; there are swings and roundabouts, and whilst in some years in Allerdale we may be approving 400 or 500 houses, in another year we might only be approving 200, and so the average is what we are talking about. I am going to make a point about the urban/rural split...

MR GIBBS: Right. That would be very helpful, and then we will get on to that area of debate and particularly perhaps pick up the point that Adrian raised about splitting the cake rather than the size of the cake. (10.00 am)

ALLERDALE BC: Yes. I want to make a particular point about west Cumbria and the way the figures are going to impact on west Cumbria, in particular the proposed changes in the JSP. The figures are now so below trend, even though we have a lot of approvals out there, that we are not having to introduced supplementary guidance which drastically --- West Cumbria is a regeneration priority area and the JSP has designated a larger area in effect than the RPG does including large areas of rural west Cumbria. Our priority towards regeneration means that we will have to, if we are to meet those priorities for regeneration for housing market balance in the west Cumbrian towns, shift the balance of development very severely from a good balance between rural and urban to almost entirely urban, if we are going to meet those regeneration aspirations. That will severely restrict our aspirations for the rural areas, for a sustainable policy in the rural areas.

MR GIBBS: That is within the district problem consequence of having an overall insufficiency of allocation?

ALLERDALE BC: Yes. We have no problem with the split.

MR GIBBS: The Cumbrian Inward Investment Agency has been very patient so if you would like to come in at this point?

CUMBRIA INWARD INVESTMENT AGENCY: Could I begin by saying as well as being the managing director of Cumbria Inward Investment Agency I am also chairman of the Cumbria Learning Skills Council, so that will give you an insight as to where my views are coming from and they are really to do with a difficult area. It is trying to address the link between the spatial considerations in the structure plan and the rate and nature of economic change in Cumbria. I am very concerned that the structure plan becomes an ally of economic development and not a constraint on economic development in the county of Cumbria. In a way it is analogous to the changing focus that we in the Cumbria Inward Investment Agency have had to undergo over the last seven years since we were formed. When we were created it was very much a reaction in preparation for the anticipated major job losses which have largely since come to pass in places like British Aerospace or BeA Systems' shipyard in Barrow and the BNFL up in Sellafield and it was very much a quantitative one. It was about, "We are going to lose so many jobs. What can we do at Inward Investment to attract a comparable number of positions?" We have actually been quite successful on that fairly crude measure. We can point to something of the order of 3,000 jobs which are in Cumbria at least partially through our efforts if not entirely through our efforts. But what has also happened during that period of time is a qualitative change in the nature of employment. So whilst we have managed to sustain "acceptable" levels of unemployment across Cumbria (probably below regional unemployment levels if you take the county as a whole) we have nevertheless seen gross value added job creation in Cumbria drop through the floor. Twenty years or so ago Cumbria's GBA per capita was appreciably higher than the regional average and just marginally higher than the national average. Now is it dramatically below both, I do not necessarily buy that we are as poor as Lithuania or Romania as some people suggest, but in terms of the actual rate of growth in GBA that is not such a silly comparison. My point really is that that change in the nature and speed of economic change has implications for the way we view the spatial considerations in the structure plan. It is no longer sufficient to say we are losing jobs in industrial areas like Barrow or Workington, so what we need to do is almost a 1970s/1980s programme of advance factories in those areas in order to repopulate them with the jobs we have lost. The world has moved on radically and the jobs which will generate GBA for Cumbria as in other parts of the country are in the so-called knowledge sectors. They are hi-tech jobs, which will not be attracted to old industrial areas in West Cumbria and Furness. If we are to compete in the market for those jobs we need to offer attractive, modern facilities which are properly equipped in terms of ICT, easily accessible in terms of physical transport and environmentally attractive. That is what has made Cambridge the success it has been, that is what has made the Scottish glens the success they have been in terms of electronics and so on. So we have to really think, in my view, that part of the answer to our unemployment problem, which is very much focused in our urban areas, may lie in greater access and development of parts of our rural community to attract the sorts of jobs and the qualitative improvement in our economy that we so desperately need. I do not think the structure plan addresses that. I think the structure plan is essentially about geography and I think there ought to be an onus on the authors of the structure plan proactively to demonstrate how it can generate positively economic growth and economic development in Cumbria because the rate of collapse in our GBA is a cause of enormous concern for us and I think

Cumbria is becoming impoverished as we sit here. We do not have the luxury of saying, well, it is enough simply to regenerate the physical fabric of the parallel we are working to and leave in pristine order those parts which are actually more attractive to the market and may actually do something to generate more wealth and attract more employment to the county.

MR GIBBS: Right. I am going to ask the joint authority to respond to that. I was going to take the Cumbria Rural Enterprise Agency first because, again, they have been very patient. The matter I am going to throw back at the Inward Investment Agency is, if you could help us in relation to our investigation, can you be more specific in your criticisms? Are there particular things that you would be looking for or things that you would be looking to see to change? If you think about that a little bit.

THE CHAIRMAN: Could I just add to that. We are obviously going to discuss employment on Friday and then through into next Tuesday. I think what would be helpful is if you could relate your comments back to policies ST5 and ST6. What we really want to know is how does your concern affect the way in which settlements have been related to different scales of development. So in ST5 you have three areas and the city of Carlisle identified and you have got different scales of development. You are essentially making a case for more economic development in attractive rural areas. I do not think you are saying there should be no development in West Cumbria or in Barrow, etc., but you are making a case for something extra, something which is not in the plan, and what would be helpful to me when we move on to this on Friday is if you could think about how changing ST5 (if change is required) would help to meet your points or whether ST5 does the job so far as you are concerned. So if you could focus on that policy and ST6 as well and tell us how that might be changed that would be very helpful. But I think we should leave that at that point until we start again with economic development on Friday.

CUMBRIA INWARD INVESTMENT AGENCY: May I quickly respond to that, sir. Yes, of course we will address that on Friday. I will not be here myself, unfortunately, I am committed to another programme, but my deputy will be here on Friday and will specifically address ST5 and 6.

THE CHAIRMAN: Thank you.

MR GIBBS: You will be addressing ST5 and 6 this morning, is that right?

THE CHAIRMAN: We do need to address it today. Obviously we are discussing that in general terms, but I think when we come to discuss the specifics of economic development we need to look at the role of ST5 in that context.

MR GIBBS: Okay. We obviously have not scripted that! Yes, the Rural Enterprise Agency.

CUMBRIA RURAL ENTERPRISE AGENCY: I am here on behalf of the Agency but also I am project manager for the rural planning facilitation where we deal with 1500 clients in the last two years who are looking for advice about how to develop diversification or rural enterprises and we have 17 professional planners doing that. So we have long grass roots. It is not just policy at the top level, it is actually grass

roots policies. The issue that I am most engaged with is urbanism and rurality, which I think is an important issue here, and how we deal with that within the structure plan. So my argument, if you like my contest, is that within the structure plan and indeed with RPG13, which I am engaged with, the issues that are affecting rural areas are not dissimilar from the urban areas. We have outward migration in small rural areas. We have people who are leaving, we have de-population, we have loss of facilities, loss of infrastructure and most importantly I suppose we have social exclusion. Now, it is to get that balance right and that is what this conference is about, I think. That is what this session is about, recognition that those issues, particularly things like social conditions, social isolation, are not dissimilar from the things that are happening in key settlements. So whilst I have read all the papers, and they say the balance is right, the experience from 1500 clients is that perhaps the balance is not quite right.

THE CHAIRMAN: Could you explain a little bit more. When you say the balance is not right, where would you want the balance shifting?

CUMBRIA RURAL ENTERPRISE AGENCY: Well, I would like to see the planning system loosen up a little bit.

MR GIBBS: That is in relation to individual proposals for enterprising type development coming forward?

CUMBRIA RURAL ENTERPRISE AGENCY: Indeed, yes. Could we deal consistently – and we are very close to the local authorities – that that is the way our service operates is just to loosen up a little bit and if you have a good idea, okay, do it.

MR GIBBS: I think we get that point now, what you are saying. I am bound to say to the joint authorities that it may well be that Rural Regeneration Cumbria had a directly related point because obviously this is very much their field. So if you feel your point directly follows on from that –

RURAL REGENERATION CUMBRIA: I do, and I would like the joint authorities to respond to that. A practical example of what Carol Crawshaw is the difference in emphasis between RPG, and I am looking at policy RU2 on p.71, the March 2004 version. The fourth bullet point – and this is to do with the reuse of agricultural buildings – the regional planning guidance states: "The conversion of farms and other rural buildings for appropriate purposes is scaled with their rural location, especially to assist the diversification of farm businesses. This could include work space and other uses such as small scale tourism attractions, produce retailing and the possibility of commercial and limited residential uses." Now, that is quite wide. If you then go to the structure plan and look at policy EN14 on p.30 you will see that this is employment development in rural areas outside key service centres and it lists four things, but then it says: "In addition, the development of new buildings for employment purposes in the open countryside will be permitted only where it can be demonstrated that the proposals form an expansion of existing business on the site, including appropriate farm diversification, is well related physically to existing buildings and is easily accessible." This comes back in a very specific way to the point Jack Stopforth was making in a much broader way, which is that pure regional planning guidance is fairly inclusive. It genuinely thought about the reuse of existing farm buildings for a variety of uses.

MR GIBBS: I am sorry, I am going to interrupt you because this is very much what we are going to be talking about on Wednesday of next week under the context of employment development in rural areas. I think it is important to flag it up now, but I think probably further debate about the backing of your concern probably needs to be dealt with on Wednesday.

RURAL REGENERATION CUMBRIA: Sure, but it does highlight the point that I want to make, which is that I am not convinced that the plan currently gives sufficient weight across all policies (and we have to look at these other policies that we are going to look at in future days) in general terms.

MR GIBBS: I am going to go to the joint structure plan, the joint authorities.

CUMBRIA CC: I would like to make some responses to Jack Stopforth in particular. We discussed yesterday the concept of sustained development and we identified jobs as critical to sustainable development and we mentioned yesterday that sustainable development was core to the structure plan. In our statement of issues we also highlighted the current position of the economy in Cumbria as an issue. We had four issues and this was one of the issues that we highlighted in our statement. So the two authorities are very clear that this is a critical aspect that needs to be addressed. Jack Stopforth mentioned three criteria that he wanted to be incorporated into new sites for investment and they were ICT. They were required to be easily accessible and they were required to be attractive. I see no problems with those characteristics being compatible with the approach to key service centres, indeed the minimal requirement of service centres picks up at least on ICT and accessibility and I would suggest that ST3, in dealing with particular design aspects, can incorporate the attractive requirements that Jack has mentioned. So I think the view of the two authorities is that what he is suggesting is not necessarily incompatible with the approach to key service centres. I would also like to say that ST6, development to sustain rural communities, also makes specific that it will enable the support of rural businesses to be permitted within towns and villages defined by local plans. The range of key service centres is very broad and in addition to that local service centres as defined by the local plans can go down to a fairly fine grain. So again I do not again that what Jack Stopforth is suggesting is necessarily incompatible with the approach in the structure plan and the urban/rural split. What I do have to say is that we are also guided by regional planning guidance and national guidance on the type of development which is appropriate in the open countryside. That has to relate to the core objective of sustainable development and we discussed yesterday the issues about minimising the need to travel and other aspects. So I think they have to be borne in mind when considering where employment should be located. I think that is all I want to say.

MR GIBBS: So many people want to come in on things and I want to slightly structure the discussion a bit more. I know Friends of the Lake District and Grange Over Sands want to come in on this point. What I would like you to do, though, in so doing, is to particularly focus on the point in (a) about the balance between urban and rural areas. What we have recently been hearing is concern that the balance is not sufficiently in favour of rural enterprise but then a response to that from the County Council. But Friends of the Lake District and if you could particularly focus it on (a) rather than many of the other interesting points that have been raised.

FLD: It is an entirely separate matter, what I was going to raise.

MR GIBBS: In that case it may be better if it is just left a little bit because if there are other people more directly on this, Grange Over Sands?

GRANGE OVER SANDS TOWN COUNCIL: I just want to flag up that when you are talking about regeneration and rural employment, etc., think about the part of our artists. They do not usually fall into the concepts that we have got down already and yet I think artists are particularly attracted to the rural aspects and I think they could well be part of the regeneration process.

MR GIBBS: Now, the two district authorities, I would like to take you in at this point.

BARROW BC: I would just like to make the point in response to Jack's comments earlier that the regeneration activities in Barrow are not purely about improving the physical fabric of Barrow. We have long now relied on the traditional shipbuilding industry, which everybody is acknowledging is now declining, and there is a need to diversify the economy to address that. The work that the urban regeneration company are doing in Barrow in partnership with the borough council has a strong emphasis on attracting inward investment, diversifying the economy and looking forward to knowledge-based activities hopefully relocating to the area. I just really wanted to make that point in response to Jack's comments.

THE CHAIRMAN: Could I just ask you a further point. In your submissions I think you were one of the authorities that were making the point that the cake was not cut correctly between yourselves and South Lakeland. Could you just amplify on that.

BARROW BC: That is right, yes. Just to explain a little bit about that, I think there is a danger in relying on past trends in terms of housing figures when forecasting for the future in that we do have areas of very low demand within the borough and obviously the focus of regeneration is to try and turn that around, look at sustainable communities, achieve inward investment for employment and with that offer alternative housing opportunities to try and attract people into the area but also retain the leakage of population which occurred as evidenced in the last census. That showed that there was a vast leakage in the 18 – 30 year old group and we as the borough council are keen to try and address that issue, offer alternative employment and the lifestyle choices that go with that and as part of that housing is an issue. Because of the isolated location we are obviously geographically very close to Ulverston and it is in fact within the borough of travel to work area. So in terms of the dissemination of the figures it is our concern in terms of the proportionality of that and I am sure we will discuss that in more detail and talk about the figures next week.

MR GIBBS: Right. I would just like to pick up on that too and again next week perhaps you can come back to it, but you talk about leakage there, 18 – 30. It seems to me there is one issue of leakage which has been trickling out into Ulverston and there is another issue of leakage which has been leaving the whole of the peninsula and we will address that later on. Carlisle and then South Lakeland, who have been almost as patient as Friends of the Lake District.

CARLISLE CITY: For those who are not familiar with the district, we have a large rural area as well as just the urban area of Carlisle and the past legacy of permissions has been a high proportion in the rural area and with the existing local adopted plan and the review process we have gone through we have consulted on redressing that balance between the urban and rural with a stronger focus towards the urban. We are very conscious of the economic issues with the urban area and the rural area in trying to make sure our policy can best focus on development so that it is enabling both to happen, supporting both the rural economy and the urban economy. Whilst we are not a regeneration area, there are economic issues which we will raise later in this EIP, but to some extent it has been a re-focus. We feel that the balance now is greater towards the regional focus on Carlisle in that context, but also we have had to reduce and re-focus the impact that we have been having on the rural area and that is something where we feel these policies are more supportive of that process for our local plan.

MR GIBBS: Could I clarify, does that mean that you are generally happy with the way ST5 and ST6 are expressed or is this again the cake question and the size of the cake ultimately that is the problem?

CARLISLE CITY: There is an issue about the cake ultimately and we are not happy with the total amount but the way it is spread is fine. The focus is a lot better in the proposed changes than it was in the original deposit draft. In the deposit draft it was just a list of areas naturally having the major development for the region in terms of Carlisle and Barrow. Clearly it more reflects regional planning guidance than it did in the first instance and actually having moderate development levels for the smaller key service centres also is appropriate in terms of what we are seeking in terms of our district also in centres that are there.

MR GIBBS: Thank you very much. South Lakeland want to come in and then I think the Government Office wants to come in perhaps particularly on what Carlisle has said, then I will take Friends of the Lake District on their new point.

SOUTH LAKELAND GATEWAY PROJECT: Thank you, Chairman. I ought to explain that although I am here for South Lakeland, that particular project, I am chief executive of the Westmoreland County Agricultural Society and by chance this year I am also president of the Company of Young Farmers, so I will get my ear bent quite substantially by the farming community.

MR GIBBS: From a certain rural perspective, yes.

SOUTH LAKELAND GATEWAY PROJECT: The point I was making on the ST6 aspect of sustainability, it is interesting, is it not, when the farmers are actually being told by the Government that what they do is not sustainable and they are actually now getting a single farm payment and being told, "Go and diversify," whereas in many cases the young farmers will tell you that they wish to carry on farming. So I think a point which needs to be looked at where there has already been some discussion amongst the young farming community is that they believe some of their opportunities for the future are with linking more closely with the urban communities. I think that is a point which should not be overlooked in this discussion. The rural buildings may offer some employment opportunities for people in the urban areas and vice versa.

GONW: I am not making a statement so much as asking a question because I am genuinely puzzled by the tenor of what people have been saying. The regional guidance has policies relating to rural development which by and large have been praised and they have not been criticised so far today. The structure plan, as we see it, attempts to take that forward. So thinking in particular of Mr Stopforth's point about accessibility and leaving aside the question of regeneration of West Cumbria, it proposes major development in two places including Carlisle. It proposes sustained development in other places, including Kendal and Penrith. It proposes or permits, or allows for moderate development in places like Brampton, Appleby, Kirby Lonsdale and then of course it allows for development on a small scale, which presumably would allow for the ICT projects we have been hearing about in local service centres, of which there will probably be dozens across the county. It then goes on to say: "Small scale development will be permitted in towns and villages as defined by local plans as a local service centres base. It will be the exception for new development to be located in the open countryside." Even development in the open countryside is not actually forbidden. So what exactly is being prevented? I genuinely do not understand.

MR GIBBS: I think the joint structure plan authority is probably very helpful about exposition of their policy. Could I have anybody who specifically wants to respond to that point because I think it does take us very closely back to ST5 and ST6 and Rural Regeneration Cumbria wants to come in. Again, I am going to hang on to the Friends of the Lake District point until after we have dealt with this. Mr Pealing. (10.30 am)

RURAL REGENERATION CUMBRIA: I know you did not want to continue with the point I was making earlier because it will be picked up on another day, but I think it is a very specific point, which is that I do not have a problem with the phraseology of ST6 in terms that it will be the exception for new development to be located in the countryside, but I was making the point that the structure plan as it is currently phrased in another section implies that the reuse of existing buildings in the countryside will be far more restricted in terms of new uses than the RPG and there is a practical example of that.

MR GIBBS: Anybody else in response to the Government Office's point? I have a question that arises from it for the authorities which is can we give a little amplification of how they see this phrase, "it will be the exception" operating? From my experience of s78 appeals it could be quite a long debate. Can you help with what that phrase is meant to mean?

AUTHORITIES: What we are talking about is new build, not conversion or renovation or development of existing buildings and what we are suggesting is exceptionally where it is not related to existing business, we are fully in support of businesses that are already within the rural areas and that's what ST6 and the employment policies try to reinforce. The exception relates to new development which is unrelated to an existing business and we feel that those new developments are more appropriately located in key service centres or local service centres for sustainable development reasons.

MR GIBBS: That helps me why you crossed out the word 'building' and put in the word 'development'. The danger of the wording at the moment is that development has a technical meaning under the Planning Act, doesn't it, whereas what you are

saying here is not new developments using that technical meaning under the Planning Acts. You are meaning de novo development, a fresh site on its own separated from other means. That needs to be amplified perhaps. Is that right?

AUTHORITIES: If you think that helps to clarify our approach we will consider that clarification.

MR GIBBS: Allerdale?

ALLERDALE BC: A small point of clarification, we would interpret existing business to include a farm and therefore a new business could go into that farm as a way of diversification.

MR GIBBS: Do the authorities want to come back on that?

AUTHORITIES: That would be acceptable.

THE CHAIRMAN: Can I check that we have the right references for this phrase. We are talking about paragraph 2.23, exception for new developments?

MR GIBBS: I was looking at ST6 and the reference in the last sentence, "It would be exception for."

AUTHORITIES: It is EM14 which is the relevant policy.

MR GIBBS: Assuming it is on this particular point, I will go to the Rural Enterprise Agency.

CUMBRIA RURAL ENTERPRISE AGENCY: There have been a number of supplementary guidances coming out in Cumbria who we work very closely with which makes a distinction between farm diversification and rural development and embedded in the policies on farm diversification is the notion that to be favourably looked at in planning terms is that the proposal should be smaller in scale and smaller in terms of income generation than the farming enterprise and one of the things that we have argued about, hospitably, is that there are enterprises that farmers are proposing that are larger in scale and larger in terms of income generation that might be perfectly acceptable in terms of environment impact and which keep the communities together.

MR GIBBS: We can pick that up in the context of the discussion of EM14. Would that be all right?

CUMBRIA RURAL ENTERPRISE AGENCY: Yes.

MR GIBBS: I am going to turn to FLD and then I will go back and look at points A and B of these questions, check whether there is anything else anyone wishes to say under those headings and if not move on towards question C.

FLD: Can I ask participants when they refer to the draft to make sure which they are talking about because I am getting a bit confused and if I nod off halfway through I need to know if I have been disturbed or not. I am going to refer to RPG ST3 and technical paper 2 for the Structure Plan, appendix 1 page 29.

AUTHORITIES: It is page 21 on your version, chair.

FLD: It is not a huge point but it is important bearing in mind the discussion we had yesterday. We established yesterday that in terms of environmental capacity that there was lots of spits and spats in the accompanying policy to ST3 and we were looking for the panel to recommend that the authorities give the districts guidance through appropriate methodology and what criteria to use. We mentioned the need to reduce travel which public transport links are mentioned in RPG ST3 but if we look at the criteria in appendix 1 on the technical paper which is used to identify the key service centres, unfortunately there is no criteria there which deals with public transport accessibility issues. It is not a huge issue and it is only indirectly related but the question does also say can it be fostered in a sustainable way so all I am flagging up is that when the Structure Plan authorities draw up the methodology to guide the district council's LDFs that they include public transport accessibility in the assessment of the settlement hierarchy and the appropriate location of sites.

MR GIBBS: Is that in the context of the local centres to be identified in the context of ST6

FLD: Correct.

THE CHAIRMAN: I think criteria 3 refers to a high level of transport accessibility as being an important criteria in the selection of these settlements. You are saying that should be public transport accessibility or both?

FLD: We are happy with the wording in ST5 on that. What I say is that in terms of the methodology it is important that the criteria used in the technical paper also uses that criteria. It is a small point but it is important in the context of sustainable development.

THE CHAIRMAN: You are drawing our attention to the fact that that criteria is not in appendix 1?

FLD: Yes.

MR GIBBS: The Church Commissioners, and this is to do with A and B and ST5 and 6.

CHURCH COMMISSIONERS: It is a general point on the spatial development framework on RPG and how the Structure Plan reflects that and it is to reinforce the point in terms of the hierarchy and service centres. Obviously the identification of local service centres does go a further step than the spatial development framework in RPG13 which only takes us down to key service centres. I am not suggesting there is a problem with that. Indeed Mr Smith will recall that at the Lancashire Structure Plan EIP there was a similar debate and myself and others were arguing for an additional tier to address smaller settlements that had a role and a function in terms of sustaining local communities and the Church Commissioners now feel that the changes to ST6 do provide much more focus that will be appropriate in that tier of settlement. Whilst I hear what other people have had to say about the looseness and flexibility in terms of the policy framework, it seems to me that the framework that is there now is relatively flexible. It is right for the authorities to say there will be exceptions

particularly in terms of rural employment. Others have said there are other specific policies which then set a framework for how the local authorities will consider exceptions. Just to reinforce what Mr Bamber was saying, the Church Commissioners' view is that in general terms with regard to the spatial development framework that is reflected in policies ST5 and 6, we feel the balance is just about right.

MR GIBBS: I am going to attempt something which I don't normally attempt which is to summarise A and B on the basis that we will be able to move on to C. What I am generally hearing is concern about the size of the cake, a feeling that the cake has been divided relatively suitably in the size that the cake is but a further concern is that because something is being squeezed in the division of the cake there is a particular feeling that certain elements to do with the rural areas are being squeezed. Those are the three messages I have heard. It may be that there are other messages which are more specific to Barrow or Carlisle which will come out in relation to C because we are looking to that question but is there anybody who wishes to comment on that tripartite message?

FLD: I have a separate point in relation to issue B because I thought we were dealing with question A.

MR GIBBS: Very well. I did take A and B together.

FLD: I did what you said last night and did a bit of homework. It seems to me when you compare RPG ST3 with ST5 that the settlement hierarchy in ST3 starts with the metropolitan areas followed by key towns and cities followed by key service centres. We have no problem with that. ST5 talks about key service centres in the round and as a consequence of that difference that's why the County Council have tried to put in the tabular format and the four column format which we have got in the proposed amendment to ST5. There is still a key difference which we need to address and that is in RPG ST3, the last sentence does refer to development in the key service centres, et cetera, should fulfil the needs of local communities. If you look at the heading in the fourth column of ST5 it talks about moderate development appropriate in scale of the town. We have no problem with that. That is in accordance with ST3 but what we recommend is that be expanded to say appropriate to the scale of the town and the needs of local communities to be consistent with RPG ST3.

MR GIBBS: Do the authorities want to say anything?

AUTHORITIES: The only point that we would raise is the one that we raised yesterday on this concept of what is a local need. If there is a local need for growth then is that incorporated as a definition of local needs? I raised this yesterday because local needs are very specifically used in the context of housing and I do have some concerns if we change ST5 to incorporate that. It may not assist clarity. On the other hand, if it is appropriate to cover that sort of more detailed comment about supporting the needs of communities, I see no problem with it being incorporated in paragraph 2.18 where we talk about a whole range of requirements for the key service centres. I would point out in the light of yesterday's conversation the additional comment about environmental capacity that has been included in paragraph 2.18.

MR GIBBS: I mentioned earlier about the importance of local factors. In giving that response and your concern, is part of your concern relating to the diversity that exists within the area covered by this joint Structure Plan and the fact that certain areas in West Cumbria would be very different in terms of what is meant by local need from other parts?

AUTHORITIES: Indeed. If you look at the list of settlements under the moderate development appropriate to sustainable towns, they are very different in characteristics and local needs will vary considerably between them.

MR GIBBS: Adrian has a point that he would like to put.

THE CHAIRMAN: Yesterday we were discussing ST1 to a large extent and we covered this yesterday but the issue of local needs is really covered in ST1. The word need is not used but ST1 talks about urban and rural communities being sustained. That I take as meaning meeting their needs by a list of actions which cover the whole range of things which would be needed to meet local needs so perhaps your concern is met already in ST1?

FLD: I hear what you say, chairman, but I thought we had established that ST1 was really setting down objectives, aims, principles and the operational policies were the subsequent ST1. I hear what Mr Terwey has said but we would ask the panel to incorporate those words into that policy. With regard to regeneration and other needs our case is that at the moment we are seeing employment and housing land allocated in the absence of a sufficient evidence base of needs. When you look at local needs policies throughout the country it is not just about the resident population. Needs also incorporates need to move into the area to take up employment so it is not just the narrow restrictive agenda we are trying to set. I do acknowledge there is complete flexibility but what we are saying is we want it in there so that key service centres can deliver the scale of development appropriate to their hierarchy.

MR GIBBS: Allerdale, then Church Commissioners and then the Regional Assembly.

ALLERDALE BC: I wanted to say a little more about scale in terms of what Carol Crawshaw was saying and Mr Terwey. We generally support the county and the authorities' approach to the rural development particularly in the open countryside. There is an issue of scale, particularly in farm diversification when that is underpinning a proposal for development. We would not wish to see the scale of such development go beyond the point where it supports the particular enterprise that is already there. If it does go beyond that point then it comes up against other sustainable issues and so we do support the county and National Park's approach on this on scale and in terms of introducing new proposals into the open countryside.

MR GIBBS: Church Commissioners?

CHURCH COMMISSIONERS: It is taking that point on coming back to your assessment. It is an issue not of scale but of emphasis in policies ST5 and 6. It is important to remember that those policies cover all forms of development and the point that Mr Hardman was making was that historically in terms of housing and excess of new housing in the rural settlements they are areas which they are now

seeking to address and they clearly feel that the Structure Plan and proposed changes assist them in doing that in terms of the framework. Your final point that there seems to be consensus about rural settlements and areas being squeezed is correct but the feeling I am getting is that that is very much to do with employment and economic development and local need for housing rather than just market housing which is the problem that Carlisle have experienced. It is important that that emphasis remains in policy ST5 and 6 particularly in terms of the key service centres and local service centres. The emphasis is very much on -- I know it is a difficult one to define but the local need and addressing those needs to ensure that those communities remain as sustainable communities.

THE CHAIRMAN: In that context, do you agree with FLD that the term “needs” needs to be expressed or do you think that the policies already do the job sufficiently? (Short pause)

MR GIBBS: I am going to give you a moment to think about that while the Regional Assembly make a response.

NWRA: I support the Structure Plan authorities’ approach. It may seem a good idea to put local needs in but it is fraught with danger in policy terms because how do you assess need? What is the area you take for assessing that need? How do you avoid overlap between areas? There is evidence about the weaknesses and failings of many local needs, service for housing and what we need is guidance on that. There are issues about employment land needs, there is continual debate. One study is done so that they rubbish the figures and come up with an alternative set of figures. It is a moving feast. The danger of putting local needs into the policy is you could put the words in and it opens a chink for people to exploit it and say, “We need this scheme because it meets local needs and then we need another scheme to meet local needs.” It never meets the local needs, whereas the policies at the moment allows the flexibility to deal with issues as they come along but without opening the flood gates for lots of development.

MR GIBBS: Church Commissioners are ready to answer the question put to them.

CHURCH COMMISSIONERS: I think I would agree with NWRA that from our experience and also with other plans it is very difficult when you get the term local needs to know how it is going to be defined, by whom it is going to be defined. There is that danger. The important fact about ST6 is that it is looking for a scale of development in terms of helping to support and sustain those local communities. Something expressed in those terms would be much safer than the term local needs.

MR GIBBS: Do you have a response to the question put to you?

CHURCH COMMISSIONERS: I think that was the question, whether we felt the term local needs is right.

MR GIBBS: I obviously didn’t understand the question.

GONW: Just an amplification of that really and relating to what we heard earlier from Cumbria Inward Investment Agency, you might say that local needs might

include inward investment which could happen at a scale appropriate to key service centres.

MR GIBBS: I am hearing that in relation to West Cumbria in particular.

CUMBRIA RURAL ENTERPRISE AGENCY: There is an issue about acronyms and phraseology and local needs is one of them clearly but the other one is appropriate because the clients we have had, and we have had 1500 in the last two years, are concerned about the use of what is appropriate in the policy as it is in RPG13 and RSS which is coming out, and the question that is constantly coming to me is who decides? What are the local needs? Who decides what is appropriate? I think we need to probably revisit that big issue but I would delete appropriate from any policy document.

MR GIBBS: Right, FLD?

FLD: I don't want to introduce a negative point but I am puzzled by the NWRA's contradiction of the word in its own policy. Chris Bamber has hit the nail on the head. I want to reassure people round this table. Our intent of inserting the word need into this policy is not a restrictive agenda. It is to be consistent with RPG and to be consistent with the theme of our arguments in relation to this Structure Plan that if the LDFs are allocating land unrelated to needs then we need to be thinking about that very carefully.

MR GIBBS: We will break for coffee. Shakespeare said it all at line 263 Act 2 Scene 3, when he said, "The reason not the need", in King Lear and so it is a very apt point, I feel. We will have a coffee break for 20 minutes.

(Short break 11.00-11.20)

MR GIBBS: Right. We are going to start the second session of today's discussion, and I would like to think that we have dealt with questions (a) and (b), though no doubt if people find that they have got something else which does seem to relate to that, they will be able to weave in to other points of the discussion. But if we look to (c), this is the relationship between ST5 and 6 and the more specific locational guidance that follows on. So I will read out item (c), and I already have a marker from Eden, which I am glad to see: 'Is there a conflict between the general thrust of policies ST5 and 6 and the specific locational guidance in policies ST7 and 11?' So Eden want to come in.

EDEN DC: Thank you, sir. It is a point about the cake that we discussed this morning. I think there is a consensus certainly amongst the districts that the cake is too small overall, but you did ask questions about the division of the cake, and I have one point to make which is simple and straightforward. It is out understanding that if a residential consent is given within the National Park, then it counts against the targets for that district. That we feel is unfair, because it gives responsibility without power. I have liaised with my colleagues in the other districts over the break, and they I think share this view. It is also my understanding from previous discussions with National Park officers that that view is shared by them. So that is just a point without wishing to pre-empt Tuesday's discussion, sir.

MR GIBBS: Right. Thank you very much. We will take that point through towards Tuesday. Now, question (c), Friends of the Lake District are coming to my aid and I will start with them.

FLD: A very minor boring point really just to support the statement by the joint structure plan authorities in paragraph 2.4 of their response, where obviously they are acknowledging that we do need need surveys and environmental capacity studies to inform LDFs and we very much support that statement.

MR GIBBS: Right. So this is on page 9?

FLD: Paragraph 2.48. It is only a very minor point.

MR GIBBS: Yes, page 11, 2.48, of the joint authorities' response. Right. There is great excitement caused by question (c). No doubt we will be able to come onto it more tomorrow, but I am glad to see Barrow and also the Inward Investment Agency wanting to come in, so Barrow first of all.

BARROW BC: I would just like to make the point that the borough council support the changes being suggested by the joint authorities on page 11 in relation to a slight amendment to policy ST9, although we would still like to maintain our comments in relation to the division of housing, particularly between Barrow and Ulverston.

MR GIBBS: Right. I think that will come up tomorrow when we are specifically talking about ST9. At the moment I don't want to look at policy ST7 and 11 except insofar as they relate back to ST5 and ST6. Right, the Inward Investment Agency, and then the Countryside Agency.

CUMBRIA INWARD INVESTMENT AGENCY: Thank you, sir. There are a number of points in the discussion which I seem to have provoked earlier and didn't respond to, but in particular Claire from Barrow came back in response to something I said. I think it is a particular feature of public affairs in Cumbria that anything which is said which is apparently in favour of promoting development in the rural areas is seen as an attack on west Cumbria and Furness – it never is – and we as an Agency support absolutely a general development focus on the west coast and Furness, and of course we are fully engaged in the work of the urban regeneration programme that Claire very eloquently described. My general point, sir, is illustrated well I think in connection to where we sit here in Kendal and South Lakeland District Council. SLDC has actually lost as many jobs over the last 5 or 6 years as Barrow has, and that often surprises people, but, you know, we have seen the complete loss to this community of shoe manufacturing for example: K Shoes as recently as a decade ago employed something like 3,000 people and we lost the last 1,000 of those jobs over the course of the last 4 or 5 years: Axa Insurance, very high quality, high value added jobs in financial services, 400 jobs; Abbey Life, 300 jobs when they took over from Scot Prov; and most recently the Heredities Company with about 60 or 70 job losses, so depending on how you measure it, if you include the full impact of the shoe industry loss, this community has lost something like 4,000 jobs over the last 5 or 6 years. So how should we respond to that? I think there are three options. One is to do nothing, and I think if you do that you accept that Kendal and much of South Lakeland will become an aging dormitory community for people who go out to work in anywhere from Preston to Carlisle up and down the M6. It is the proximity of the

M6 and the easy access to livelier employment markets which has meant that despite the enormous job losses in this community, unemployment has barely blipped, it still stands stunningly low at about 2 per cent, and we can just accept that. But the downside of that of course is that the people who are presently commuting into work and still work for Axa down in Lancaster, or wherever it was they moved, once those jobs turn over, once people retire or move on, they are no longer available naturally to the existing population. The second option is to have very limited development of existing sites. In the town here there is the Libby's site, and there are one or two really not much more than infill small scale development around Kendal, and if you do that then you might at least accommodate latent local demand; you might actually prevent a further haemorrhaging of local jobs.

MR GIBBS: Sorry, I am afraid there is a bit of a problem here in terms of topics, because I am trying to focus this back on ST5 and ST6 at this stage, and I...

CUMBRIA INWARD INVESTMENT AGENCY: Okay. I said there were three options, and the third one takes us back to ST5 and 6 I think, and that is that we can actually capitalise on Kendal's assets in terms of its attractiveness, prospective attractiveness, to inward investment, and I think the idea for example of a development at or near junction 36 – not just the relatively small scale proposals for a so called gateway, but perhaps a more ambitious business park on an appropriate site with easy access from the junction is something we ought to perhaps consider. I think it would be sufficiently attractive to development without any public intervention at all, the market will go for it; it would attract the sorts of jobs which would be sufficiently high value added to make the commute from Barrow or from elsewhere in South Lakeland worthwhile, and it would give us the qualitative boost to our employment base that I was describing, or the lack of which I was describing earlier. I am not necessarily advocating it, but I am advocating that we have the debate, and I think it would be a shame if the structure plan inhibited that debate in a sense by saying there will be no development of that type in that sort of location. And I don't see any inconsistency at all by the way in developing sites like something perhaps around junction 36, and continuing the focus on the development of Ulverston and Barrow, and I think the grants regime and the work of the Urban Regeneration Company will provide a sufficient differentiation between those two areas to maintain a competitive edge in favour of the west coast, as it should be.

MR GIBBS: I am passing this to the Chair to comment.

THE CHAIRMAN: Yes. Obviously we are going to look at economic development in more detail starting on Friday and then through into next week. I think the key point from our point of view is not to get too site specific. This is a structure plan dealing with the broad strategy for the county as a whole. And I think I would want, if we come back to this on Friday, I would really want to know whether or not there is a conflict, if you like, between what you are proposing in ST5, or whether it fits within the framework of ST5, from your point of view. I would also want to take the views of South Lakeland and the two authorities on this as well. But the key issue is not to get site specific. We are not in a position to say whether or not a specific development, the one you are mentioning, is acceptable. I think we are however able to take views on whether particular forms or scales of development, or locations of development, fit within this framework in ST5. So if when you or your colleague comes in on Friday, could you focus your comments on the framework within ST5,

and then, yes, we can hear I think briefly perhaps comments from the authorities and South Lakeland, but we cannot get into the site specifics of weighing whether this is an appropriate development or not specifically.

CUMBRIA INWARD INVESTMENT AGENCY: I didn't mean it to become a site specific issue. I was trying to use the possibility of a development in that location as an example of what we might do as a novel means of attacking problems on...

THE CHAIRMAN: Yes. I think that is fine, I think bringing forward examples is fine. The key issue really is whether having Kendal in the category of sustainable development for large towns, identifies a large town as against moderate scale development, whether that is appropriate, whether that is the appropriate box, if you like, for Kendal to go in; that is the issue we should come back to. We won't exclude mentioning specific examples, but we don't want to focus on that during the debate.

MR GIBBS: I am in a slight problem here as to the extent to which I allow this to sort of dominate the debate and how much to suppress it. I don't want to entirely suppress it, but I also am not going to allow any hijacking, but I think that the South Lakeland Gateway Partnership particularly want to come in on this particular point, and if you can make it brief and direct, then we will move on to wider points.

SOUTH LAKELAND GATEWAY PROJECT: If I may, Chair, and I do appreciate the point about not being site specific, but what we are trying to ask for is that in this policy there is a little bit more, can I say the word, encouragement in that area, because they talk about in ST6 small scale development to help sustain local services, don't forget the percentage of tourism that comes via that junction into Cumbria is significant, and I think Mr Stopforth's point needs to be followed up, but the M6 corridor is not mentioned anywhere in this document, and I think if a little bit more emphasis under the south and east Cumbria section was made, it would be helpful. End of point.

MR GIBBS: I think there is an important broad point there about sort of, if I can say, east-west balance, and the M6 corridor in relation to the others that people may want to come in on. I don't know whether Allerdale's point is in relation to that area, or a different sort of point.

THE CHAIRMAN: But I would say if people want to bring in that kind of a concept, I think you need to relate it back to the framework within the plan itself - we are focusing on the plan and its framework - rather than sort of introducing a new concept, a different concept. We need to know whether or not the plan is being overly restrictive perhaps in your point of view. That is the thing we need to focus on. But let's do that on Friday.

MR GIBBS: Okay. Anybody have anything they have to say on that particular area that broadly relates to ST5 and ST6? Regional Assembly.

NWRA: I have to make this point because we are not here on Friday. I am not going down the sites today, but I need to put a couple of markers. That particular site, junction 36, will probably be regarded as a regionally significant location, so there is obviously implications for RSS preparation. The whole issue of regional investment site is going to be looked at as part of RSS. If in advance of RSS an application was

to be submitted, it would fall within the criteria as a regionally significant application, which the Assembly is now a statutory consultee on planning applications, and we would have a view, and I think you just need to be aware of the context of anything in that location, that it is a significant regional site, it is not just a local Cumbria site.

MR GIBBS: Right. Thank you very much. I really don't want to say anything more that has a direct bearing on that. What I would like to know is – I think we have almost moved to key centres, but is there anything that people want to say that comes under item (c), and the Countryside Agency have been very patient, so I shall turn to Sheila Wright.

COUNTRYSIDE AGENCY: Thank you, sir. It is a specific point about item (c) and particularly in relation to the joint authorities' response at 2.44 of their response, page 10. And it is simply to say that the last sentence of that paragraph says: "The two authorities are confident that the changes being proposed in policy ST6 will address the remaining concerns of the Countryside Agency on this point"; well, I am afraid their confidence is misplaced, and we still have concerns, particularly relating to the designation of key service centres in ST5 in the National Park. So I just wanted to set the record straight.

MR GIBBS: Right. That is something we are looking forward to discussing particularly under item (d), so we will bring that in when we get there. Allerdale, do you wish to comment on (c)?

ALLERDALE BC: Yes sir. It is a particular issue and relates, yes, I think it fits into (c). I think I can actually speak for Copeland on this issue as well, although they are not here, because we have spoken to them about it quite a lot in the past. We have very considerable concerns about the west Cumbria and Furness policy that appeared in the original deposit version of the structure plan in the way it treated the relationship between Barrow and west Cumbria. Now, we didn't see the sort of functional relationship that was implicit in that policy. Since then, the joint authorities have proposed changes which we now support, and in particular I note their further amendment on page 11 of their response, and we would support that further response because it does further clarify, and if you like further separate the issues of Barrow and west Cumbria. We were originally concerned that there might even be a trade off between Barrow and west Cumbria, and I think we are now satisfied that there is not.

MR GIBBS: Thank you. And that may well come back up tomorrow in the context of our debate there, but certainly you are flagging it up for us. Right. Rural Regeneration are here, and then after that we may well be moving on to item (d), but yes, Rural Regeneration come in.

RURAL REGENERATION CUMBRIA: I just wanted to make the point of course, and I can understand clearly why you want to separate things out in terms of looking at blocks of policy, but of course in a sense table 5 refers to the other policies ST7 to ST10. I think probably, if you like, without getting site specific, I think there are two issues to do with south and east Cumbria; one is, from what Jack Stopforth was saying, and we would support that, is is ST10 the right emphasis for south and east Cumbria – i.e., meeting local needs only? And clearly we will debate that on Friday, is that right?

MR GIBBS: Tomorrow.

RURAL REGENERATION CUMBRIA: And then there is the issue, and again we will debate that, but it comes back to ST5, and that is the issue about the relationship of Kendal, the development opportunities that exist in Kendal. It is all very well having Kendal in as sustained development of large towns, but in actual fact even when land is allocated in a local plan, or is supported by the district council, the two major green field sites that have come up in the last 2 years – one of them was referred to yesterday, i.e., the land immediately behind us, behind the hospital – both sites have been turned down on appeal. So you have got a policy which says expansion in Kendal, but actually you can't implement that policy because of planning constraints either through the local planning process or even on appeal, and that is why some of the economic regeneration agencies have some frustration about those issues and why they are looking to junction 36 as a possible salvation for that. Now, okay, we don't want to get into all of that debate, but I am just flagging up the issue about having Kendal in this table and yet not being able to implement the policies that are attached to it.

MR GIBBS: Thank you very much. That will be a helpful forerunner to tomorrow. Right. Key settlements. Now, the issue as expressed in question (d) is: 'Should the larger towns and villages in the National Park be identified as key service centres?', and then four are mentioned – Keswick, Windermere/Bowness, Ambleside and Coniston. The fact that Coniston is mentioned there when people may say it is only quite small is not the key point; the key point is whether any of these settlements should be in. And I think it is fair to put the onus a little bit on the National Park to come forward for the joint authorities as to their choice and their framing of the policy such that these centres do not appear in a policy identified as new development and key service centres.

AUTHORITIES: Gill Longfellow, Lake District National Park Authority. In developing the social strategy policies for the structure plan, the two authorities sought to develop the hierarchy which explains the level of development which is appropriate throughout the county in various ways. Policy ST5 sets out in quite a lot of detail the type of settlements we feel can accommodate major, sustained and moderate development, and then policy ST6 deals with other settlements, other towns and villages within the county as a whole, which it would be more appropriate to accommodate small scale development in. Obviously we have a National Park. It is covered by the Environment Act provisions. It is a landscape of high value. There are development pressures obviously, but we feel that the most appropriate way of dealing with development in the National Park is to deal with meeting local needs as is required by the Environment Act. In doing this, we have developed this settlement policy which may be different within the National Park, particularly in terms of housing and employment policy, because we are dealing with different situations.

MR GIBBS: Right. Is there anything more you want to add – sorry, I wasn't quite sure whether that was an end or a hesitation?

AUTHORITIES: I will leave it there and perhaps I could come back later.

MR GIBBS: Right. I am sure you will come back in. I would like to hear from Keswick Town Council as I – if I say a bottom up approach, I would like to take that

and then the Countryside Agency, and then we will take the various districts that have indicated a wish to speak.

KESWICK TOWN COUNCIL: Well, I feel I am a sort of representative of the towns in the National Park, and I think all of us feel that we are key service centres whatever anybody says, and I think that is borne out by the fact that Keswick and some of the others are towns which have been selected by the market towns initiative, and the reason for the selection as market towns was really to create diversity of opportunity in those centres. This followed on of course from foot and mouth when one realised that dependence on tourism and agriculture just did not work when agriculture was cut out like that. So what we are looking for is developing new opportunities for business, and I think particularly probably in arts and crafts, this sort of area, but also other things as well, and the ones that have come up are mainly actually supporting the tourism industry, so maybe that isn't too helpful. The other thing I would say which really goes contrary to being a key service centre is that I would agree with Gill Longfellow that the housing need should be need for local occupancy and affordable housing for people who actually work in the town. And there we have of course an enormous problem, because of people wanting to come and live in the Lake District and retire to it, as I did, and also having second homes in the Lake District. You knew it had to come up. Now, with new build you can control the local occupancy, because of the sort of golden shares that the housing associations are looking at. With existing housing it is very difficult to control local occupancy. The other thing I would like to say, and I don't think you can do anything about it in this planning, is control of businesses. We are being overtaken by outdoor clothing shops, and we are losing the things that actually make us a key service centre. Thank you.

MR GIBBS: Right. Countryside Agency, please, and then as I say I will be coming to the districts.

COUNTRYSIDE AGENCY: Thank you, sir. Our concern is with the exclusion in particular of Keswick and Windermere/Bowness from policy ST5, and we think they would be appropriately designated as key service centres. I think the lady from Keswick Town touched on the market towns initiative, and our point from that is that there was some very careful analysis done of the basis of service protrusion and so on which led to the designation of Keswick and Windermere/Bowness as market town initiative suitable settlements, and we would like to point out that the market town initiative focused on particular places like this because they had a potential to provide a focus for economic development and regeneration, to be centres which meet people's need for access to a wide range of retail, professional and public services without destroying the character of the area, to be a focus for properly planned and coordinated public transport, and to be distinctive places to live. And we think that all those things apply to Keswick and Windermere, but we don't think designating them as key service areas would be at all detrimental to their status within the National Park, and our concern is really the scale of development that would be allowed if they were in ST6, which is small scale, compared with what we think is that awful word appropriate scale in ST5, and we think that it vital for them to be in ST5 in order for them to develop sustainably and to retain their function as viable settlements.

MR GIBBS: Right. I am going to turn to the district councils, and here it would help me to know whether you are speaking purely as planning authorities or also with

the slightly wider remit, because obviously as district councils there are district council responsibilities within those areas. If you can clarify that for me when you make your response. I am going to go to South Lakeland first, I will then go to Allerdale and then I will go to Carlisle, in that that is a sort of neighbouring district rather than a National Park district. (11.50)

SOUTH LAKELAND DC: I just want to reiterate what the Countryside Agency said. Speaking from a council point of view, our view is that we would like to see Bowness/Windermere/Ambleside as a key service centre. It meets the methodology in terms of its size, its accessibility and the services it provides in terms of what is outlined in RPG. So I just want to support what the lady from Keswick Town Council and the Countryside Agency put forward.

MR GIBBS: You are saying that as a district council with district council responsibilities in the area as well as as a planning authority.

SOUTH LAKELAND DC: As well as a planning authority, yes. We want Ambleside/Windermere/Bowness as key service centres identified in ST5.

MR GIBBS: Right. Are there any particular problems you see with them not being so identified?

SOUTH LAKELAND DC: Just really what the county council said. We have worked quite a lot with the Lakes market towns initiative, which seeks to focus investment, and a lot of funding, on Windermere and Bowness with the council being involved in that partnership. We just want to support their inclusion as key centres.

ALLERDALE BC: I am speaking chiefly as a planning authority, but I think it probably does extend to our other responsibilities within the Park. We basically, in the context we are faced with, support the joint authorities in not identifying, say, Keswick as a key centre. This is largely because of the issue that Roger at Eden has already alluded to in that developments, especially in housing in Keswick, comes off our allocation, our housing figures for Allerdale as a whole; at least that is the situation as we understand it. In that situation we do not wish to see that happening, basically, because it would bear down even further on our figures outside the National Park. That is why I put in in our response that if Keswick and other towns within the Park are considered to be a key centre it should be within the context of policy ST11 and not necessarily policy ST5 in terms of the balance of development and where you are going to be concentrating development. So even though in some instances we might be able to live with Keswick being identified as a key centre, not in the context of the current housing situation.

MR GIBBS: I am going to throw something in myself at this point because in looking at this policy ST5 and the exclusion of these key settlements, coming from outside the idea that Keswick is not a key settlement for its particular area and that Windermere/Bowness are not the key settlement for their particular area seems to me daft. That is a suitable word and we all know what it means. But I think the problem is perhaps with the way the policy has conflated key settlement and development because what I hear the National Park saying is they are concerned that if you are a key settlement you have major development or development associated with that and there is, therefore, the problem that the policy is expressed as new development in key

service centres. If we had a policy which is key service centres and then a policy which is new development in relation to key service centres could we overcome some of this problem? I throw that straight at the National Park because it may, I think, speed up our debate in other areas.

THE CHAIRMAN: I think what has come out of the discussion so far is that there is a difference of view between economic development and housing development. I think most people would make a case for inclusion of these settlements, what we are talking about as key service centres, on the basis of jobs and on the basis of economic development and widening the economic base, not on the basis of housing.

MR GIBBS: Again I am going to differ slightly with my Panel Chairman on that because I want to concentrate on these words "service centres" and key service centres and an element of a key service centre no doubt is employment, but I want him to see it as providing services. So as I say, I am slightly unscripted there but that is why I want to see the idea of having actually a key service centre policy and a development in key service centres policy, the second of which might be restricted in relation to these particular areas, particularly in terms of certain types of development, which perhaps links back more perhaps to what the Chairman is getting at.

LDNPA: Gill Longfellow, Lake District National Park Authority. I would just like to point out when the two authorities developed this pair of policies as a spatial strategy we paid regard to policy SD3, regional planning guidance, which actually links the issue of key service centres with development. Again, if I could just re-emphasise the fact that we are not saying that towns within the National Park are not service centres. It is finding the right scale of development for those towns which we want to make sure we take forward in the right way and we feel the right way to do that is through policy ST6 and by naming these towns as local service centres when we go into the LDF process.

MR GIBBS: What about the alternative route of actually separating out an element which is identification of key service centres? This is perhaps diverging slightly from policy SD3, and no doubt we can hear the views of the Government Office and the Regional Assembly as to whether that is an acceptable divergence from what it says in SD3.

LDNPA: If I could just also say that we do have a suite of policies in the quality of life chapter which also looks at the provision of services.

MR GIBBS: Yes, I think that is an important point, but how does that impact back on what is identified in ST5 as a key centre, because it refers to town centres and such like there but without any identification of the town centres, which if I were looking at the plan would throw me back to ST5 as the identification of those centres and therefore that these are not identified?

LDNPA: My colleague has just pointed out that in the policy 5 chapter it does actually point you back to policy ST6.

MR GIBBS: The rest of the joint authorities want to come in. You can come in later, if you like, on that.

CUMBRIA CC: No, it is a very specific point. You referred to town centres. Policy L55 refers to local services and facilities and while there is not explicit reference back to ST6 it does say at the beginning of paragraph 9.9 explaining that policy that "local plans should establish the importance of local centres and facilities" and that is precisely what local service centres should be doing.

MR GIBBS: I am going to turn to the regional authorities and then come back to the various parts of this side.

NWRA: Michael Gallagher, North West Regional Assembly. I have a few points. I think the first point relates to consistency and clarity. If you come from outside and you pick this plan up, to me Windermere, Bowness, Ambleside, Keswick, it is a big black hole. What is the policy for those towns because they are not mentioned? So to me that actually then starts to encroach into the debate about planning policy should be positively worded. Does it give a negative message to businesses and also to other service providers? As worded, I know you have linked it development services, but if you do not mention the places and they are already providing services, now we are in the spatial planning agenda the health sector may think, well, actually we're not going to be able to do anything in Keswick so when we are looking to reorganise services is Keswick vulnerable, as an example? It is the message it gives. I think you can write a policy where you can include the towns in the Lake District in there but then you can actually say what scale of development you want in there and that will fully accord with SD3 of RPG. Effectively, you are talking about, I think, another column to the matrix.

MR GIBBS: A row actually, I think.

NWRA: A column because actually – right, a row, but it is the type of development as well as the physical location of the plans because at the moment it refers to "moderate developments". If you are talking about a lesser scale of development activity in those towns that would be a column and then the geographic thing is the row. But people could say, "Well, actually it's going to stop us, this policy, doing regeneration, refurbishing the existing buildings, premises." It is the message it creates. Secondly, I go back to the evidence that is presented. It seems to me as though the evidence has been compiled to suit the policy rather than inform the policy. Everything we see seems to omit the three towns and their population is over 1500. They seem to meet all the criteria but it is because the policies will keep them out and I think again that gives a poor message about planning and the way we have got to where we are in this policy.

THE CHAIRMAN: Could I come back on your extra column and just say that in the final column, moderate development, it has quite a range of different towns from Alston, which is probably one of the smaller ones – I drove through there on Monday and stopped and had a walked around and it is a small town – so you have got that on the one hand and then you have Cockermouth, which is certainly a lot bigger than Alston but not as big as Keswick.

NWRA: It is bigger than Keswick.

MR GIBBS: It is bigger than Keswick, yes.

RURAL REGENERATION CUMBRIA: Just to clarify, Alston 1,000 population although a catchment area of 2,000; Keswick 5,000; Cockermouth 8,000, about.

THE CHAIRMAN: So Cockermouth is larger. So within that range the word is "appropriate", so within that list of settlements there is going to be quite a number of different levels of development appropriate, those sizes. So in that context, in the way in which that column is drafted, do you really think there is a need for an additional column? Could it not be accommodated within the wording of that existing column?

NWRA: It could be accommodated. I was actually offering a way whereby the structure plan authorities, if they want to say something specific about these three towns, could actually set that out in policy terms so that they are not lumped in with the other towns in the "moderate" column where different types of development may be allowed.

THE CHAIRMAN: Just to develop that a little further, maybe you could distinguish between housing and economic development or different forms of development in the Lake District terms because my impression is that the housing seems to be the more difficult area for accommodation rather than economic development.

NWRA: I was not going down the route of different forms of development, it is more just the concept if key service centres had been omitted for clarity and consistency.

GONW: It is related to what Michael was saying, although I would like to put it in a slightly different way. This perhaps goes back to the fundamental purpose of what key service centres are all about, which is actually our old friend sustainable development, which in this context I think we can say means putting the right kind of development in the right sort of places. Indeed SD3 – the Lake District referred to policy SD3 about it being about development, but it does say development should be of an appropriate scale and nature to accommodate or cope for the needs of local communities. So that really allows you some form of protection. You raised the question of what practical problems arise from not having key service centres. It would seem to us that the risk is that you are losing. Allied to what Mike said, this question of a framework as to where development should take place, how such development as does take place should be distributed within the National Park. Nobody is saying that there should not be any development in the National Park and indeed the market towns initiative presupposes that there is that kind of development focusing on regeneration or economic diversification because places like Keswick do have those needs. In some cases you will say to a developer, "No, that is not appropriate for Keswick. You should go to Penrith," but there will be development which is appropriate within Keswick so that people do have other choices than to work in walking boots shops. If you do not have the kind of framework, which is saying those developments should go in the key service centres, then what is to stop somebody coming along and saying, "Why can't I put it somewhere else?" I am a bit puzzled by Allerdale's position focusing on housing because Allerdale is also a housing authority as well as a planning authority and this question of our allocation – Keswick is in Allerdale, just as Pooley Bridge or wherever, is in Eden. So to me housing, local needs, is focusing on local needs within those districts. So I am not sure that is a valid point but we will get on to that in subsequent dates, of course. While I am on the point about Michael's suggestion of having another column, I am not sure we need another column because we have to remember that these policies

will be carried into effect through the local authorities' development plan documents and if the National Park Authority loses this argument perhaps it is for them then to say what kind of development should happen in those places rather than creating another column on this policy.

MR GIBBS: Does anybody want to speak in support of what the joint authorities have come up with in this area?

FLD: Perhaps I should declare an interest because I was the development plans officer in the National Park Authority in the 1990s involved in preparing the existing adopted joint structure plan and the adopted plan. We could talk about semantics all day, whether the word "key" or "local" is appropriate. The key word is "services" that you have identified and the question is, who are we trying to serve by those services, and that applies to housing, retail development, leisure development, employment development, not just housing. The lady from Keswick mentioned a quite important word and that was the word "diversity". If the National Park Authority is to deliver mixed and balanced communities in accordance with Government policy then it needs to focus its housing development and its employment development on specific needs. Being Devil's advocate – and you asked me this question earlier – if any of the people around this table who want these settlements called key service centres can identify a specific need for development coming out with the market towns initiative process (which all of us support, including the joint structure plan authorities) and then test that need against the adopted local plan policy, which the National Park have in place and if there is a problem let us hear about it, because from where I am sat we are just playing around with words, whether it is a key centre or a local centre, when actually we should be asking does the development serve the needs of the local community.

MR GIBBS: Are you saying that the needs of the community could be served even though this structure plan does not identify an area of the service centre for their requirements?

FLD: The National Park has made it quite clear for good reasons that they are going to call these settlements local service centres in their LDF and they will be enabling policies to recognise the size pragmatically, you know, Windermere is bigger than Coniston so ironically you are going to get bigger developments in Windermere than you are in Coniston. I see it as fairly straightforward as that.

MR GIBBS: Right, Countryside Agency, Rural Regeneration and Carlisle. Actually, could we have Carlisle before the Countryside Agency. He has been very patient.

CARLISLE CITY: Thank you. When we started this debate there was a number of points I wished to make and quite a lot have already been discussed. It is really the interpretation of ST5 and the consequence of that policy and the reading of it which was the concern. Initially, thoughts of adding additional key service centres, what does that mean in terms of rates of development? Obviously we will look at housing development and the implication that will have on how the cake is divided throughout Cumbria. It is very nice of my colleagues and the other districts to assume it will take a bite of their part of the cake, but no doubt looking at the overall spread it may also affect Carlisle as one of those authorities, so obviously I raise a concern about that. In listening to this discussion that has gone on, it was the lady from Keswick actually who made a valid point in that she was tackling local needs housing and affordable

housing and very local issues. In the interpretation of ST5, it is obviously linked to ST7 and 11 and it is in those policies that they actually relate the terminology of that development, whether it be sustained development or moderate development. It clearly specifies, if I take ST8 in North Cumbria, it says particularly "housing, local employment, retailing and communities" so they actually had that specification of the type of development that is considered. So if those additional key service centres were to be identified – and I take the point Mr Gallagher made in terms of geographically perhaps putting in another policy that you actually specify – they have a key service centre role by their nature but the type of development relates very much to either local housing or that to support economic regeneration, development in relation to the market towns' initiative roles. So there is actually a more specific linkage in policy terms to what the role of that centre will be. It is not to deny them being key service centres, it was the issue of the rate and scale of development which on my interpretation initially of ST5 was that there will be moderate housing development which will have consequences elsewhere, even economic development, and there will be arguments on Friday next week on the relationship between economic development and housing that is necessary. It was actually relating the terminology in ST5 into that scale of development and what is actually implied. That is where the concern was.

COUNTRYSIDE AGENCY: I want to really just emphasise the basis of the Agency's objection as coming very firmly from the economic development and regeneration standpoint and it may be that there has to be a different approach taken to housing. I would also just like to endorse some of the things that Mr Bamber said in relation to the practical problems arising from not designating Keswick and Windermere/Bowness in ST5 and that is that they would in ST6 having small scale development. It would be for ever or for the foreseeable future confined to a level of development which would not support regeneration and I think "small scale" is one of these other sort of vague terms that people bandy around but generally there is a very sound concept of what small scale is and it might be a single workshop or two workshops; it would not be a modest business park. I think the danger of consigning those settlements to ST6 is that you preclude an appropriate level of development that actually promotes regeneration and promotes sustainable development as well.

THE CHAIRMAN: There you are talking about economic development principally?

COUNTRYSIDE AGENCY: Principally it is economic demand and regeneration of those settlements that the Agency is concerned with.

MR GIBBS: Right, Keswick Town Council and then Rural Regeneration Cumbria.

KESWICK TOWN COUNCIL: I just want to make three points. One is that I would add a row to this policy ST5 because what we are really saying is settlements within the National Park need to be treated differently from settlements outside the National Park. We would go along with the National Park on that. The second point I would make is that we need to be in there as a key service centre. For example, the health authority is looking at the provision of hospitals and Keswick could be under threat. It has a small cottage hospital. If we were not a key service centre it would be easier to get rid of it. The third point I would make is that on housing needs in Keswick, the National Park has tried to influence the housing authorities so that housing within Keswick is kept for people who need to live in Keswick so it is not available to

residents of the rest of the Allerdale. So in a way I am supporting Richard on this point. Thank you.

MR GIBBS: Thank you very much. Richard Pealing.

RURAL REGENERATION CUMBRIA: I want to start off by going back to what I said firstly this morning, this potential incompatibility between the planning documentation and the regeneration documentation and I think this is obviously the key to this. The fact of the matter is that economic regeneration activity is occurring in three market towns and therefore by excluding them from key service centres you in a sense have one policy going against another policy. I am disappointed really that the National Park Authority are taking the view in pursuing the exclusion of the centres because in many ways the regeneration agencies are actually working much more closely now with the National Park Authority in trying to promote economic regeneration and to that end ourselves and the North West Development Agency have engaged with the National Park Authority and the North West Development Agency have paid for a consultancy report for the Lake District economic futures, which is actually looking at the economic sustainability of the Lake District and certain changes in policy direction. So in some ways all of this goes against some of the other activity that is happening. I want to highlight Keswick because it is a very interesting case. People have already made the case that the technical classification of key service centres would include the three settlements of Windermere, Bowness, Ambleside and Keswick. They meet the criteria. Because they met the criteria the joint authorities commissioned some further research in our LUC. We have not seen that research but they make some very strange assertions in there to try and justify their position. The fact is that these centres should be included. Keswick, for example, you get the situation – and I will have to take the point with Richard Evans in terms of Allerdale because certainly in discussions I have had with other officers in Allerdale on the economic regeneration side they would support the definition of Keswick as a key centre. They in fact are the employing authority for the Keswick MTI (market town initiative) project officer, who is actively obviously engaged in the current regeneration in the town. They potentially will have a million pounds to spend on economic regeneration and Rural Regeneration Cumbria are working with Allerdale on at least two major developments in the town, both the Keswick Museum and a theatre by the lake. So in all of that I feel and I certainly agree that we should have an additional row in the table that should relate specifically to the Lake District National Park, it should relate to ST11, and we will come on to that presumably tomorrow. There is nothing in here which precludes any consideration of what are the appropriate development opportunities in those key service centres, moderate development appropriate to the scale of the town. We recognise that there are special qualities in these three settlements because of those location and because of the physical and social and economic make-up of the towns, but to deny them a place in the hierarchy is certainly unjust. (12.20 pm)

THE CHAIRMAN: One point of clarification. Mr Pealing mentioned some work commissioned by, I think, the National Park Authority, principally by land-use consultants, looking at the towns in the National Park. The panel only received that report on Monday afternoon and we took the view that because it had come in so late, it is a substantial report, that it was too late to put it into the EIP. That is unfortunate because it contains useful material but it came in too late to be able to circulate to all

the participants to receive it and comment on it. So we took the view that the two authorities have drawn from that work and have prepared their further statement in the light of that work so to an extent at least you have reflected what is in the report in your further statement and we can talk about that and you can talk to that on the basis of the report but we haven't circulated that report. Frank has reminded me to say that I haven't read the document and it is not something we can take into account because it came in too late. It is unfortunate but that is the situation.

RURAL REGENERATION CUMBRIA: If we want to pursue this I want to explore one of the bullet points in the authorities' statement at 2.67 where the fourth bullet point says, "The unusual nature of the economic and social structure of the four towns under discussion." I find that a difficult statement to understand. There are special characteristics with each town but Keswick is not that different to Cockermouth.

MR GIBBS: I am going to give the authorities an opportunity to come in at this point because they may have something specific to add. It is an unusual situation where you find a fair degree of uniform views across the range of participants at the EIP and the joint authorities to be in such a minority position even if the FLD are giving them some succour.

AUTHORITIES: Again I want to reiterate there is no difference of opinion in the fact that these towns are service centres. We must concentrate on the appropriate level of development for those settlements. If we look at policy ST5, the criteria at the bottom, the towns in the National Park are not in a position to accommodate that level of development and the level of development specified in the columns. We feel it is more appropriate to have small scale development. Can I add that the proposal by NWRA to have an additional column which looks at the three towns in terms of small scale development would have wider implications throughout the county not just those three centres.

MR GIBBS: Wider implications of what kind?

AUTHORITIES: Identifying suitable settlements that would also meet that criteria.

MR GIBBS: Because there might be other settlements outside the National Park that would come into that?

AUTHORITIES: If you introducing another column which is identifying service centres which can accommodate small scale development then you might not be just considering those three towns. The policies as they stand at the moment, we have policy ST5 and policy ST6 which focus on the small scale development in local service centres. They are not named but it gives a discretion to the local planning authorities to further develop that work through the local plans or LDF process based on evidence gathering.

MR GIBBS: I understand that. It is use of the term key service centres. The word key is important. There are suggestions which we are going to come to about the addition of other villages to the list of key service centres under item E so there is an opportunity to discuss that but I was looking through the National Park plan to see how the issues were dealt with that relate to these centres there and under the retailing policy which is page 88 of your 1998 version, under shopping in larger settlements,

within the central shopping areas of Ambleside, Bowness, Windermere and Keswick as defined on the inset maps, development proposals for shops, financial and professional services and for the sale of food or drink, will be permitted and then criteria listed. So in a sense that is identifying those places as key service centres so if they are identified in the local plan isn't it inconsistent that they are not within the Structure Plan even separating out this issue of what sort of development?

AUTHORITIES: Yes, those centres are identified in the local plan in the retail section. In the housing section there is also a range of settlements identified for housing needs. You may need to look at the totality of the policies to see how the scale of development is thought to be appropriate for the National Park. It is still this issue of scale that is the issue.

THE CHAIRMAN: Can I come back to four points at the bottom of ST5. ST5 seems to me to allow quite a degree of flexibility. Firstly, it talks about moderate development appropriate to the scale of towns and then in 1 to 4 it talks about the supply of new housing over the whole plan period. I imagine there will be some new housing taking place in the towns that you are talking about even if that is conversions or intensification. I am sure there will be some housing development taking place in Keswick and Windermere over the plan period. Then land available for employment. The accessibility point is a bit different. All the settlements have quite good transport accessibility as far as I am aware but these points are well qualified and it seems to me there is flexibility here to allow for the fact that in the Lake District towns there isn't much scope for development, particularly housing. We take that point on board. It is a question of whether that fact can sit alongside the points here. There does seem to be flexibility here to allow for a town like Keswick where perhaps there is very little scope for development or another town where there is more scope because it is not too specific. That is the point I want to make. We hear what you are saying about the scope of development on housing but can it sit inside this policy?

AUTHORITIES: Can I point out in terms of that very point on housing, once we get to the discussions on housing obviously the National Park has a zero requirement. We don't intend providing any general housing. All our housing is intended to meet local needs.

THE CHAIRMAN: Yes, absolutely but in the context of social housing, affordable housing, there will be some housing?

AUTHORITIES: I think policy ST6 adequately covers for that as it stands at the moment.

MR GIBBS: As a panel we will have to go away and consider it. We have heard a weight of argument on this and the heavy balance of the argument has been towards inclusion of these key service centres. There are three options for the joint authorities it seems to me. You can either come forward with a restructuring of policy ST5 which separates out the issue of identifying key service centres from the issue of development in key service centres or you can add a column or a row and a column to the table taking in these centres within the National Park or you can leave it to us to come forward with something. In doing that it is helpful for us to know that if centres are going to be added, there are four that have been suggested, and I am running Windermere and Bowness together. That is Keswick, Windermere/Bowness,

Ambleside and the fourth is Coniston. I don't know if we go for two or three including Ambleside or four including Coniston. It would be helpful to hear a view on that.

ALLERDALE BC: On a point of clarification and information, and I am putting Allerdale's housing authority hat on - I think I can speak for my housing colleagues - Allerdale has had a very generous allocation from the housing corporation in the recent round of housing bidding and we have a target over the next few years for a substantial amount of that to be spent in Keswick, about a third in fact, which relates to about 50 odd houses, all affordable for local needs of course. As a matter of information it does impact on the kind of development we are looking at in Keswick, the scale, et cetera, but it also impacts on the issue we will come back to in terms of numbers, the cake, what counts and what doesn't, and if it impacts on the cake outside the National Park.

THE CHAIRMAN: Are you talking about new build or refurbishments?

ALLERDALE BC: I don't think we have got down to whether it is going to be conversions or new build yet. I am not privy to the detail of any discussions between housing and the National Park. I don't know if the National Park can illuminate on that.

THE CHAIRMAN: Do you have any views as to the number of units?

ALLERDALE BC: 55 to be exact. That is the target in the house strategy.

MR GIBBS: Keswick Town Council?

KESWICK TOWN COUNCIL: Just to perhaps point a way forward, in policy ST5 if you do put another row in and put Keswick town under the moderate development then include ST7 to ST11, you are treating the Lake District National Park in the same way as you would treat South and East Cumbria, et cetera.

MR GIBBS: Countryside Agency?

COUNTRYSIDE AGENCY: Yes, just coming back on the points made by the National Park authority, and it relates to the chairman's point as well about the towns not being in a position to accommodate the level of development envisaged by ST5, I would say that ST5 doesn't envisage a level of development. It gives flexibility within those various columns for local discussion on the amount of development. It is linked to a point made by the National Park authority in their response at paragraph 2.68 on page 14 where it says, "Essentially settlements within the National Park do perform the role of service centres but do not have the capacity or the requirement for the level of development which would be expected to be allowed through policy ST5." We would disagree with both those assertions on capacity and requirement. Capacity may clearly come through over the lifetime of the plan in terms of brownfield sites becoming available and the requirement is there with the need to support viable communities and settlements.

MR GIBBS: I am going to turn to Church Commissioners.

CHURCH COMMISSIONERS: I hope you will indulge me because the Church Commissioners have no interest in the Lake District but on the point that Keswick Town Council have just made, which is a good practical proposition and on the point that Mr Gallagher has made in terms of the difficulties as a planning practitioner picking up the document just knowing what the position is when you are looking at those town in the Lake District. The suggestion from Keswick Town Council of another row for those towns which could in the second column be explicitly related back to policy ST11, because that seems to be the concern that the Lake District authority have. ST11 sets the parameters in terms of what level and scale and type of development will be acceptable and that seems to be the concern so if you could have an explicit reference. There is Carlisle, there is ST7 and as you come down the hierarchy, I wonder as a practical solution whether that might address the issue and allay the fears of the Lake District. I suspect it is something you have already thought of.

MR GIBBS: To a degree, yes, but thank you for putting it that explicitly.

THE CHAIRMAN: I want to come back to the point that Mr Evans made about the 55 new units. That is 55 houses being built by the public sector—

ALLERDALE BC: It would be in partnership with an RSL, yes.

THE CHAIRMAN: That development would fit within the criteria of ST11 in that it is securing housing to meet the identifying needs of the locality and I would imagine there would be additional housing development taking place within Keswick during the plan period and that 55 is not the ceiling. It is not going to stop at 55 units only.

ALLERDALE BC: I would imagine, sir, but from the point of view of our housing strategy and the financial backing for that, then that is what we are aiming at and we leave it to the National Park authority to control other sectors of the housing market.

THE CHAIRMAN: My question is one which the National Park could perhaps pick up on later. Does that scale of development fit comfortably within ST6 because in ST6 you are talking about quite small centres, local centres, places like the ones we will move on to next, Shap, Arnside, those kinds of local centres. That scale of development would not be appropriate in those kinds of centres. It may be appropriate in Keswick but is the scale of the development which is being talked about, and there will be other development, does that sit comfortably with ST6?

MR GIBBS: You can reply or you can ponder, whichever you prefer to do?

AUTHORITIES: I will make a general point. I believe that by dealing with the National Park settlements through policy ST6 and the scale of development that it is suggesting, it would be the appropriate place to look at developing that information. I just worry that you are talking about small scale development and equating it with smaller settlements. Can I remind you that there are other settlements throughout the county above the threshold of the key service centres which haven't been identified.

MR GIBBS: You mean population threshold?

AUTHORITIES: Sorry, yes.

MR GIBBS: Of the lowest of those?

AUTHORITIES: The list of key settlements that are in ST5 is not all inclusive of every settlement of the 1500.

MR GIBBS: Indeed. NWRA?

NWRA: My suggestion about columns and rows was trying to help things not muddy the water. What we are trying to do is we are not questioning the policy approach in the Structure Plan to the three towns. It is more of a presentational issue and we feel that they need to be mentioned in ST5 and if you want to add extra criteria, different criteria for those three towns that should be explicitly in the policy so it gives the clear message of as it is written. Look into the future, post Structure Plan, in our assessment we would be looking to take forward which Structure Plan policies are appropriate. If it went forward like this you would have a policy with a hole. So when the Lake District National Park did their LDF there would be a conformity issue if they were then talking about development in any of the three settlements and we could theoretically say, "Their LDF is not in conformity with RSS which would cause attention," which I don't think anybody is wanting to get into that situation. So that's why we talk about presentation. When it comes to making decisions at a regional level, the regional housing strategy is a classic example. Housing funding allocations will derive from that strategy. One of the key questions being asked is, is it deliverable on this programme initiative and spatial planning is very important in that dimension and if the message is, "We're not sure whether we can actually do anything in that locality," questions will be raised, it may mean that money doesn't go to that area or the policy doesn't allow that because there is other competing needs within the region and it would be easier to deliver that. It raises a spectre of, "Don't mention it and you'll lose out."

MR GIBBS: When you say the three settlements, can I clarify that you are meaning Ambleside, Bowness/Windermere as one and Keswick?

NWRA: Yes.

MR GIBBS: Richard Pealing?

RURAL REGENERATION CUMBRIA: I would support the three settlements that we have referred to, Windermere/Bowness being one, Ambleside 2 and Keswick 3. I don't think Coniston is in the same league. Therefore I would be quite happy for that to be omitted. As we have been talking about housing in Keswick and I don't want to hold a gun to anybody's head, but you might be interested to know that the Deputy Prime Minister himself takes a personal interest in housing in Keswick. He has visited Keswick twice and has instructed the Government Office North West to look at innovative ways of providing affordable housing in areas of housing stress so the fact is that the housing that Richard is referring to is key and will be reported back through the appropriate channels.

MR GIBBS: Or inappropriate!

ALLERDALE BC: A point about the LDP is actually correct. He does take a personal interest and I think it is one of the reasons why we have had a generous

allocation! Although of course taking all other things into consideration. Coming back to the chairman's issue of scale in terms of Keswick it would be our opinion as a housing authority that it seems entirely compatible with scale and with policy ST6 at least in terms of those numbers of affordable housing.

MR GIBBS: Did South Lakeland want to comment on the particular names of settlements on the basis that you are responsibility for the majority of them including Coniston?

SOUTH LAKELAND DC: We agree with Richard Pealing. We wouldn't want to see Coniston but we would want to see Ambleside, Bowness/Windermere as key service centres.

MR GIBBS: Would the National Park like to have a final comment on this particular issue before we move on to question E?

AUTHORITIES: Coming back to your question of some time ago now about the way to look at this particular issue, obviously we have listened to what people have said and not just round the table. We have listened to the consultations and tried to take on board what people have said. The only thing that we can suggest is that with our colleagues at county council we go away and discuss it and look at the issue of policy ST5 and ST6 together and look at all the views that have been expressed on the scale of development appropriate in the National Park and maybe come back to you later with suggestions.

MR GIBBS: I am not suggesting you come back to us with something you are putting forward but if we take the view that the three key settlements should be named, if so how should they be named. We are not asking you to change your position. If we were to suggest that you should do it differently, what would be the most suitable way to do it?

AUTHORITIES: Yes.

MR GIBBS: Now item E, this is a number of what are termed significant large villages, are there other large villages outside the National Park which should be identified as key service centres? It is a slightly loaded way of putting the question perhaps. Then reference is made to Shap, Askham and Arnside. A slight alternative is that those centres could be specifically identified as local service centres within ST6 rather than leaving ST6 to be done through LDFs and local plans. Does anybody wish to address us in relation to particular ones of those settlements? I will turn to FLD and see where that takes us.

FLD: This afternoon we are going to be talking about the weight to be given to AONBs—

THE CHAIRMAN: I think that's tomorrow.

FLD: Sorry, this afternoon, 2.2, issue A is talking about AONB.

MR GIBBS: It is basically tomorrow.

FLD: The point I am trying to make is that if the panel is minded to recommend that an additional row is added to ST5 then given the evidence we are going to present in relation to AONB status we would recommend that National Park key service centres and AONB settlements be treated equally and that's got the implication that in relation to question E here we would not wish to see Arnside identified as a key service centre. More fundamentally, in the existing ST5 we would not wish Alston to be identified as a key service centre. I won't go into the evidence we have got against Alston but my colleague will be picking up a theme on that in relation to housing needs when we discuss that.

MR GIBBS: That was a no to Arnside. South Lakeland?

SOUTH LAKELAND DC: I would like to support what FLD said. As a council we wouldn't support Arnside as a key settlement.

MR GIBBS: Does anybody want to speak in favour of Arnside?

BARTON WILLMORE: Yes, I would like to speak in favour of Arnside being defined as a key service centre and I refer in my comments to paragraph 2.17 in the proposed changes document and also to the key service centres methodology in technical paper 2 and appendix 1.

MR GIBBS: Does Arnside appear in there?

BARTON WILLMORE: Yes, it is on the second page. Turning to the criteria for definitions of towns as key service centres, the first one is that centres have to have a population over 1500. Arnside certainly meets that particular criteria. In appendix 1 the population given is 2,200 but when you take the wider area using census data then the population for Arnside and Beetham is just over 4,000. Arnside itself has retail floor space in excess of the minimum criteria suggested in the key service centre methodology, it has a primary school, it has a doctor's surgery and a library, it has a post office but more particularly it has a railway station and in that respect I would refer back to a point that Jack Ellerby made in the first session about the fact that the criteria given for key service centres whilst paragraph 2.17 makes the point that key service centres were chosen in order to support and build on the existing level of service provision and provide good public transport links to outlying settlements, the actual methodology in technical paper 2 doesn't refer to that. That is quite important in relation to Arnside which does have a railway station and does have bus services linking it to outlying settlements. That is a key omission from the detail given in appendix 1 in relation to Arnside because in terms of the discussion yesterday about needing to reduce the propensity to travel, that is a particular criteria in Arnside's advantages in terms of it as a key service centre.

MR GIBBS: Do South Lakeland want to come back on that?

SOUTH LAKELAND DC: I would like to respond to that. It should be remembered that in terms of Arnside, Milnthorpe which is identified in ST5 as a key centre, is three or four miles away and has a lot more services in terms of shops. It has a primary school, a secondary school, it has good accessibility and having Arnside as a key centre, we have already got the key centre in Milnthorpe which has a lot higher service provision, good accessibility which is outside the AONB.

MR GIBBS: Is your point on this, Mr Pealing?

RURAL REGENERATION CUMBRIA: Yes, specifically on Arnside, we would support South Lakeland DC on this. We don't feel that Arnside is a key service centre. It has some of the characteristics of one but it is very close to Milnthorpe. That's where the secondary school is and we don't feel it should feature in the same way as Coniston shouldn't, for example. The population size is not the overriding criteria.

MR GIBBS: Is there anything you want to add?

BARTON WILLMORE: Just one point. Elizabeth mentioned that the fact that Milnthorpe is three to four miles away from Arnside and is a key service centre, the inference being that because of its proximity to Arnside then that was one point against Arnside's definition as a key service centre. In a sense that is not the point. The point must be that a settlement should be assessed in terms of its own particular characteristics and its own particular complexity of service characteristics.

MR GIBBS: We will move on to Askham. Is that what Eden is particularly want to draw attention to?

EDEN DC: I would like to talk about Alston, Shap and Askham briefly. We had an indication yesterday of the particular antipathy felt by FLD towards Alston's designation as a key service centre and I received what I thought was an assurance from the chairman at that point that this wouldn't be discussed or resolved until Tuesday and consequently I haven't done any extra work overnight but I would be prepared to do so if it comes up on Tuesday and justify resolutely Alston's designation as a key service centre within the Structure Plan. As far as Shap is concerned, representations were made by my council in 2003 to the county council requesting that Shap be examined as a possible key service centre. We listed the services and linkages that Shap had which I am sure they have on record. In fairness, we have found some comfort in being able to view Shap as a local service centre within the context of the Structure Plan policies. Moving on to Askham, we hadn't asked that it be considered and I am at a loss to understand why it should be. It is a small settlement within the National Park. It happens to be very close to Shap.

RURAL REGENERATION CUMBRIA: Can I clarify that Askham is Askham-in-Furness which is Barrow Borough Council and not the Askham in Eden.

MR GIBBS: It is not the Askham in Eden that we visited on our tour. Right Askham-in-Furness. Where is that in relation to Ulverston and places?

RURAL REGENERATION CUMBRIA: It is three miles north of Barrow. It is on the west coast.

MR GIBBS: Right, that takes us to Barrow BC. Does anybody else want to say anything about Shap?

THE CHAIRMAN: I am checking to see where Ulverston should best come up. It could be dealt with tomorrow in the context of ST10 which deals with south and east Cumbria.

MR GIBBS: Mr Hopcroft, are you here tomorrow?

EDEN DC: Yes.

MR GIBBS: We will pick that up under ST10.

THE CHAIRMAN: Yes, we will chat about this over lunch and clarify it when we come back.

MR GIBBS: Mr Pealing of Rural Regeneration Cumbria.

RURAL REGENERATION CUMBRIA: I want to strongly support the inclusion of Alston. Although it doesn't meet the minimum population criteria it is a very remote settlement and as the chairman has already seen it does provide a very important service centre. There are a number of major economic regeneration initiatives going on in the Alston Moor area which are extremely impotent and it has a secondary school without a sixth form because of its isolation. So strong support for Alston. I agree Shap is a local centre, and a very nice one as well as our offices are located very close to it but it is a local centre.

MR GIBBS: Right, Barrow BC?

BARROW BC: On the issue of Askham, for clarity where people are being slightly misled is that in technical paper 2 appendix 1 it is listed as Askham within Eden District as opposed to Barrow in Furness Borough Council. I clarified this point with the county council and took it to mean Askham-in-Furness. In terms of the definition within paragraph 2.17, Askham-in-Furness would fulfil all of the criteria required with the exception of having a secondary school. Askham is within the Dalton North ward which in terms of population has been one of the fastest growing in the county with the figures from the last census. The Borough Council didn't make any representations in suggesting or requesting that Askham-in-Furness be included within ST5. There is no local employment site allocated within Askham-in-Furness at the moment and during our last local plan enquiry we did have a site included which was withdrawn by the local plan inspector so from the borough council perspective we would be happy to deal with it as a local service centre.

MR GIBBS: Do the authorities want to give a resumé on that?

AUTHORITIES: I want to come in as a point of fact that Alston does meet the requirements set out in technical paper 2 so there is no inhibition as far as we are concerned for Alston remaining a key service centre. The other point I would like to make is that these are key service centres. If we have more then the focus of developments required through RPG will be diminished and we need to be aware that it is not just getting on a shopping list to be identified as a key service centre and we feel collectively as the two joint authorities that local service centres will adequately cover the appropriate level of development for those towns and villages that have not been identified as key service centres.

MR GIBBS: I would like to finish item E unless there are other major points to be raised. FLD, yes?

FLD: Just a very brief point, all we are asking for is that if an extra section is put into ST5 to deal with the appropriate scale of development for the National Park to accord with national government policy, to accord with RPG policy then we would like some consistency of dealing with AONBs. If the joint Structure Plan authorities put forward a form of wording which satisfies the appropriate scale of development for the National Park I would hope Eden and other people who are questioning our logic would give that wording appropriate consideration.

RURAL REGENERATION CUMBRIA: I have spotted this recently but poor old Sedburgh is missed out and I don't understand why.

PANEL SECRETARY: It is in the Yorkshire Dales National Park. It isn't a responsibility. In fact the front of the document here says that the Yorkshire Dales National Park, part of Cumbria is excluded.

MR GIBBS: On that happy note we will break for lunch and start again at two o'clock on items F and G and have a slightly earlier finish today than yesterday.

(Lunch adjournment 1.05 - 2.00)

THE CHAIRMAN: Okay. Just a couple of short points before we go back to the agenda. Firstly, just to say that transcripts from yesterday are available on the Planning Cumbria website, which is up on the wall there, so if you want to have a look at what was said yesterday, then that is the place to go. Today's transcript will be on by tomorrow morning. The second point just concerns the discussion we had earlier regarding Alston, which took me a little bit by surprise because I don't think it is a point you had made, Mr Ellerby, in your further statement; you hadn't made the case that Alston should come off the list of key service centres, so it is not something I had kind of picked up and was expecting. In some sense we could deal with it now, but I think, given the comments from Mr Hopcraft from Eden District Council, he would like just a little bit of time to think about this, so we are quite happy to deal with that tomorrow, if that is okay – you are here tomorrow?

FLD: I am, yes. As I say, we are not attempting to pull rabbits out of hats at the last minute; what we are doing, we are using Alston as an example to explain how needs evidence is not backed up by land allocation, so that is where we are coming from.

THE CHAIRMAN: Okay, but I think you are also making a point about consistency of treatments between National Park and AONB areas as well; that's the thing I picked up.

FLD: We are, that is right.

THE CHAIRMAN: So, given that you did not put this in your further statement, if you could speak to this tomorrow when we bring this item in, and Mr Hopcraft will have had a little bit of time to prepare, and I guess the two authorities as well, so we will deal with it in that way tomorrow. Thank you.

MR GIBBS: Right. Thank you very much. We are into the afternoon session with the delightful prospect of finishing relatively early this afternoon, and we have items (f) and (g) to deal with. Looking at those, under item (f) I think I am going to

rephrase that slightly differently for our debate and focus on the second part of the question. The question says: 'Does focusing development on key service centres work to the disadvantage of other settlements and result in an undesirable degree of infill pressure within the service centres themselves?' Now, in a sense of course it works to the disadvantage; it is deliberately meant to, because it is a question of focusing development in certain areas. If people want to bring out aspects of that which are disadvantageous for other places, that would be helpful, but I think, on the whole, debate may be well focused more on the undesirable degree of infill pressure within the service centres themselves. And then matter (g), which is the sort of positive side on rural areas and promoting initiatives there. Now, I don't know whether that is a fair assessment of things, but I don't know whether anybody wants to address item (f), and, if so, if they can indicate. Grange Over Sands is ready to do so, so I will start off with you.

GRANGE OVER SANDS TOWN COUNCIL: I would just like to point out that one of the results of having to have a reduced number of houses within South Lakeland resulted in us having to cut down the amount of land allocated within Grange Over Sands to a smaller amount. Obviously this is going to have a knock on effect if the development of houses is going to be restricted elsewhere in the district, in the rural areas, and this is the thing that really concerned us most.

MR GIBBS: Right. I think that was what I referred to this morning as the third aspect of the size of the cake and then the squeezing point. Right. I am looking for other people to come in in relation to item (f). Eden District Council, please.

EDEN DC: Thank you, sir. You said quite rightly that there were obvious ways in which the policy worked to the disadvantage of smaller settlements. I would like, if I may, just to point out a way which may be less obvious. In Eden our unemployment rate is virtually nil. However, we do have a very serious problem of a low wage economy. One of the sectors of the economy which provide a very significant number of higher wage, more prestigious employment is local small scale builders who may be unable to compete for larger contracts in the key service centres, but have been used to building small, very small, amounts of housing in the local areas, and they are really feeling under intense pressure, and their future appears in many cases to be very bleak as a consequence of these policies, and it isn't a point which is perhaps central in the conventional consideration of planning policies, but it is one that I would like to make.

MR GIBBS: Right. Can you just help me on that a little bit further in that my experience in some of these situations is probably more personal, and so on, is that quite often you have a fairly rapid turnover of small building companies, as things like national insurance contributions and things catch up with people, but are you talking about something that is over and beyond that sort of fairly traditional pattern by which companies come and go?

EDEN DC: I am not quite sure what you meant by national insurance contributions – (Laughter) – but I can only guess. However, the type of business that I am talking about, in very many cases long-established family firms, where the business is passing on from father to child, and the volumes are very small and the profits from one set of very small houses are passed on as the working capital for the next group of small houses, and that is the type of enterprise that I am concerned with.

MR GIBBS: Right. Does anybody want to come in on that, or raise any other particular points about pressures on small settlements? Government Office.

GONW: Just a quick comment, sir. We are always happy to see evidence of that kind of thing, because it all goes into the general process of monitoring the effect of regional and national policies. It does puzzle me a little bit because I wouldn't have thought the scale of development, the difference between local service centres and key service centres, was all that great, and in fact I have had one complaint from Eden from somebody who said she couldn't find a builder to build an extension because there were so many houses being built in Eden, and they were too busy building houses, so it is difficult to evaluate these things without actually, you know, seeing a body of evidence, if you like.

MR GIBBS: Right. Well, I am sure Eden will be able to liaise with the Government Office on what evidence they want to adduce on that.

EDEN DC: I will be able to provide Mr Bamber with plenty of evidence.

MR GIBBS: Right. Allerdale, do you wish to come in?

ALLERDALE BC: I think basically the impact that such a policy would have on the key service centres does depend where you draw the line and how far you are trying to impact, or trying to bear down upon housing approvals in rural areas. If you are setting your targets well below past trend, be it for incomers or for local people, and therefore trying to direct, if you like, or restrict that kind of pressure to fewer settlements, then the pressure in those settlements is bound to rise, and it could become so strong that yes, one is tempted at least to approve sites which one might not otherwise in order to meet other aspirations perhaps for the rural area – who knows?

MR GIBBS: Sorry, you are saying that you are approving sites that you might not otherwise?

ALLERDALE BC: No, we are not at the moment. What I am saying is that it depends how far you try to bear down on numbers by – not necessarily looking – well, one is taking a particularly strict sustainable attitude, you are restricting the size and the distribution of settlements that you are aiming to allow whatever – open market development, local housing, affordable housing, whatever - it may be you would have a hierarchical approach, I don't know, but the further you try to bear down on figures, try to reduce approvals, completions, and past trend, the more you will see pressure coming to bear on those key centres, on those local centres, and where there is a danger of, shall we say, unfortunate cramming in.

MR GIBBS: Right. So you are addressing the point about infill pressure. Now, do you feel that some of your settlements are actually getting to that stage yet?

ALLERDALE BC: It has happened locally in certain local housing markets in Allerdale, yes. There are certain villages which have felt very much under pressure, certainly in the area around Cockermouth.

MR GIBBS: Does anybody else want to come in on the second part of question (f), which is about degrees of infill pressure in certain settlements? I will take the Government Office and then the joint authorities.

GONW: Thank you. There is a question of national policy here about the efficiency in the use of land as mentioned by PPG3, and the government does get a certain amount of criticism for insisting on densities over 30, which some people seem to think are high densities rather than medium to low densities, and that has some bearing on this question of infill and town cramming. Now, as far as infill is concerned, of course local plan or local development document policies can include provisions to protect against infill which damages the fabric of villages, but in some respects this is a question of perception. A lot of people would argue that the fabric of many traditional English villages which were actually quite high density, and you see this in Cumbria in places like Morland for example or Lazenby, the two which spring to mind, where density is actually quite high and there is a sort of urban grain to the settlement, so in those kind of contexts infill to a higher density may well be repairing damage to the grain of those settlements which is being caused by inappropriate suburban style housing development, of which there is quite a lot on the edges of villages in this county. So I think we need to be careful when looking at that question and perhaps leave it to local planning policies to look at it with the kind of sensitivity that is better applied at a local level.

MR GIBBS: Thank you. The joint authorities.

AUTHORITIES: I just want to reinforce what Chris Bamber has said, and we feel that the issue really relates to local development frameworks. Within policy ST3 we identify the need for visually important public and private open space to be a consideration, and we also suggest that where there is potential for unnecessary infill or cramming that the local development framework should look at the boundaries of these settlements, and if necessary expand the boundaries to take this into account.

MR GIBBS: Right. I think probably we can move on to item (g), unless anybody else wants to come in on this. Right. Who would like to come in on item (g)? This is: 'Should the plan be more positive and encourage new initiatives in rural areas?' There has been a certain amount of coverage of this point already, so obviously I am not looking for direct repetition of what was said, but this is an opportunity to take that angle a bit further forward. Yes, Grange Over Sands.

GRANGE OVER SANDS TOWN COUNCIL: I would like to point out that probably with Grange Over Sands is a large amount of employment within Grange which is not immediately obvious, and it is the consultant type of people who provide consultancy services over a very much wider area, and this type of employment may well be suitable for elsewhere within the whole of Cumbria, and therefore where you specify things particularly to do with agriculture and farming, there are other types of employment which these type of places may well be worthwhile following.

THE CHAIRMAN: Are you talking about people working from home principally?

GRANGE OVER SANDS TOWN COUNCIL: Yes. And it also impacts on something which isn't actually relevant at the moment, and that is the use of barns, the

re-use of barns, and that is an issue which really doesn't – this is not the right place to tackle that.

MR GIBBS: Sorry, this is not...?

GRANGE OVER SANDS TOWN COUNCIL: This is probably not the right place to tackle that, not at this particular place here. That may well come, but I will be here to follow that point up.

MR GIBBS: Thank you. Yes, Mr Dodd, the Cumbria Chamber of Commerce and Industry.

CUMBRIA CHAMBER OF COMMERCE AND INDUSTRY: Thank you. I am Chief Executive of Cumbria Chamber of Commerce. I also should declare a health warning, I am a former Director of Economic Development Planning at Carlisle City Council, so I have worn a number of hats in my time. I think in some ways, and a lot of this I think was covered by Richard Pealing and Jack Stopforth this morning, but I think this is almost the heart of what the debate is, is whether the structure plan should be more positive and encouraging. It has always been a dilemma, as long as I was ever involved in planning, the relationship between the structure plan and the individual local plan. Without being offensive to anybody, because those who know me know I am not that sort of person, but it is relatively easy in structure plan language to write nice easy words, but it is the interpretation of them by the development control office and by the individual local planning teams that really set the tone, I believe, as to how successful the structure plan has been, and certainly now, coming from talking to businesses, there is a perception – and I emphasise no more than that – the perception is not to encourage new initiatives, and that is in different parts of the county, and I believe we should get away from that. As Jack says time after time, more eloquently than I can, the opportunities that this county has got, especially if you move into the knowledge based economy, we are moving away from all the old-fashioned and old established industries, and we need a new attitude, a new approach from all the authorities and organisations, and I think the structure plan really should become more positive to encourage innovation and new initiatives.

MR GIBBS: Right. Richard Pealing, Rural Regeneration Cumbria.

RURAL REGENERATION CUMBRIA: I don't want to go over ground that I covered this morning, and clearly am going to pick up another day anyway, but as a sort of interesting illustration of the problem about the conversion of existing buildings in rural areas to new uses, when I was talking to Rob Terwey over lunch it sort of occurred to me that the building I work out of in a sense would not really be allowed by the way the structure plan is framed at the moment. A number of you obviously have been there, but the Rural Regeneration Company is based in workspace at Hackthorpe Business Centre, 5 miles south of Penrith on the A6. It is part of a Lowther estate, and it was a grade II listed farm with a range of outbuildings located right on the edge of Hackthorpe village on the A6, adjacent to the M6 motorway, and when the farmer retired, Lowther Estates wondered what to do with the buildings, and they had seen examples of sort of, if you like, hi-tech business centres being developed in a rural location to a very high quality and high standard – examples in Skipton Cavendish (?) area in Oxfordshire – and so without any public sector funding at all they embarked on, presumably in consultation with Eden District

Council planning department, and they embarked on a 1.5 million pound conversion of these buildings into a hi-tech business centre with the original aim, because broadband was carried along the A6, of creating small scale units for small private sector businesses who were looking for broadband access, the type of people that we currently refer to as sort of knowledge based economy. And initially when it was launched in October 2001, they had a number of small companies coming to them like IT based companies, architects, design companies, but these were mainly 3 and 4 people businesses, and they still had a lot of space remaining. Interestingly, the bigger users have come in, like ourselves and Connexions, from the sort of public sector, and the outward bound have moved their headquarters partly from their centre at Ullswater and partly from Rugby. And if you actually took the structure plan as it currently is stated, that type of development wouldn't actually occur. And I realise that, you know, there are sustainability issues there - most people travel to work by car, although it is on a public transport bus route - but that is the very type of development that we should be encouraging in the rural areas.

MR GIBBS: Are you saying this is because of the scale on which the whole development is put forward, because, as I understand it, re-use of rural buildings is within one of the policy areas that might be permitted.

THE CHAIRMAN: It is covered by EM14, and it seems to be acceptable with...

MR GIBBS: It may be that you are making a point about the overall scale of the thing, being the sort of scale of development that people are talking about going to a key centre; is that the steer angle aspect?

RURAL REGENERATION CUMBRIA: I mean, the steer is that there will be opportunities presented in rural areas which aren't in key settlement – in fact, to be perfectly honest I don't think you would be able to call Hackthorpe a local centre either, because there is a village school and there is a pub, but there is nothing else – and it is really a point that we need to grasp the opportunities in certain locations where the opportunities present themselves which would give...

MR GIBBS: Right. I will just turn to the joint authorities because I think they have probably got the point that you are making; do you want to come back on that?

AUTHORITIES: Yes, we fully understand the point being made, and, I mean, we are not going to debate the particular site and the merits of that particular development, and we may have another word that we would try and ban in future, but in EM14 it specifically relates to development outside key service centres promoting business and employment opportunities. Granted, there are a number of conditions there where we will be particularly in favour, and we do say that they need to be of a scale and type sympathetic – and that is another of these planning type words that could be interpreted by development control officers at local level – but I think the thrust of that policy will enable these opportunities to be taken up. Quite clearly in the case of Hackthorpe there are sustainable issues here, because the only way of getting there is by car, so that would be a consideration within this policy to determining that type of application. But I think by and large the opportunities can be picked up through policy EM14.

MR GIBBS: Right. Thank you for that illustration and general comment, but we will turn to the Rural Enterprise Agency.

CUMBRIA RURAL ENTERPRISE AGENCY: Thank you very much, and I am picking up Richard's point, and that is there needs to be a greater understanding of diversity in rural areas. We have dealt with 1,500 clients in the last 2 years, and there is an immense imaginative, innovative economy that is going on. My concern is that planning authorities are finding it increasingly difficult to deal with that, because of the incredible hierarchy of planning legislation that is coming through. Nonetheless, there are imaginative projects, and that is what the Cumbrian economy is about. So, you know, as I said this morning, I think we need to loosen up a little bit, so I am very attuned to the discussion and debate about the hierarchy and key settlements, and that sort of thing, but our clients come in and say, "Why can't I convert a barn to be a hat maker? Why have they refused planning permission to be an interior designer?", and it is that sort of attunement that I think we need to get in touch with very much. And I think the Countryside Agency is very much engaged in that discussion about this easier translation, easier interaction between, you know, being in a rural...

MR GIBBS: Is this an issue which is peculiar to this area or characterised in a particular way in this area, or is this an overall...

CUMBRIA RURAL ENTERPRISE AGENCY: No. I have contact with, you know, national government and regional government, and various other places as well, and it is the same thing; it is the rural-urban schism, and it is just saying we need an easier transition, if I can put that word again, between urban and rural, and, you know, the rural idyll is something that is embedded in British culture, but, you know, we need to slide through that a little bit and recognise that there is an easier way, if that's not being too philosophical.

MR GIBBS: No, no. I am just trying to work out what the policy expression of this is, because it's...

CUMBRIA RURAL ENTERPRISE AGENCY: Yes. Allow nice things in the countryside. (Laughter) Why not timber, why not glass in the Lake District, you know? Get away from the obsession with the vernacular.

MR GIBBS: Right. Keswick Town Council, and then the National Park, and they can be thinking about that, but joint authorities generally. Keswick Town Council.

KESWICK TOWN COUNCIL: Can I just support that. I struggle with the National Park and I am always advocating that we get some new architecture, maybe conversions or whatever, but we are in grave danger of fossilising the National Park.

CUMBRIA RURAL ENTERPRISE AGENCY: Hooray.

MR GIBBS: Right. Yes, Inward Investment.

CUMBRIA INWARD INVESTMENT AGENCY: Thank you, Chairman. I won't repeat what I said earlier about innovative development around junction 36 for example, but I could but won't regale you with at least half a dozen examples that I have just jotted down where there has been a direct and, I have always felt, needless

conflict between the implementation of local planning, local development control, and the needs of local employment, or the opportunities for generating new employment, and it is a plea, I suppose, a *cri de coeur*, for planners to place the same sort of emphasis on the economy and the employment generating potential of applications as they do on environmental and other considerations, and at the moment I really do not believe that that is the case. Six examples I have jotted down come to a total of about 400 jobs, some of which materialised and some of which didn't, but all of which were threatened by fairly rigid inflexible planning attitudes.

MR GIBBS: I will turn to Grange Over Sands in a moment. I just want to understand whether people are saying that this is something which has got increasingly difficult, or whether it has always been difficult, or whether it is increasingly a problem because of other issues that make it more of a need for new initiatives, because there has always been a problem with new initiatives, perhaps the situation is increasingly difficult at the moment. Grange Over Sands, if you want to come in.

GRANGE OVER SANDS TOWN COUNCIL: Can I speak more as a previous member of a planning committee, South Lakeland District Council, when it seemed that we were not really allowed to give full weight to economic considerations in planning applications and this will therefore support exactly what my neighbour has just said.

MR GIBBS: Can you amplify a little bit what you mean by that. Do you mean that people were constantly saying there is a danger of a precedent or something like that?

GRANGE OVER SANDS TOWN COUNCIL: This type of thing and us not being able to take full account of the economic benefits of any planning application. It seemed as if that was almost frowned upon at times. It is just a general observation but I think if something in the strategic plan could be said to mitigate that and to put it into context I think it would be very useful.

MR GIBBS: Right. Do the Countryside Agency want to come in on this point at all? Is this an area where you feel any urge to comment? No. Any reaction to my question about whether it is something which has always been there or whether it is something which is increasingly an issue and if so why is it increasingly an issue?

CUMBRIA INWARD INVESTMENT AGENCY: Chairman, I think it probably always has been in there. I think Cumbria is an innately conservative place. It is a place where all of us appreciate and love the environment and there is a very understandable reluctance to do anything which might even hold out the prospect of damaging it. But as I said earlier, in the last five years the gross value added in this county has actually gone through the floor and I do think that it is beyond time that that was taken into account when we are looking at applications. I will not go into the detail of half a dozen cases but one was a major conference hotel, for example, proposed for the previously discussed Askham-in-Furness area. It was a major hotel group, in fact the Rank Leisure Group, which wanted to make the application and we were told by the National Park to dissuade them from even making an application because it was against policy, that there will be no more hotels. What was proposed in fact was something which I think in terms of the business case was a very, very attractive proposition. Another two examples which in fact were not problems with

the National Park. One food company with three or four years of negotiating for a site just outside Workington, Lillihall(?), who were delighted to get the necessary planning provisions and they were about to get cracking only to be told by the County Council, "Well, hang on a second, we think there could be some archaeological remains here of great importance. We would like you, the developer, to investigate this at your expense over your time," and we barely managed to keep that company interested. They were so exasperated that this came so late into the equation. Perhaps a third one was not far from here, the Lakeland development at Burnside, where because part of the development would have been on the flood plain there was a blanket refusal initially to consider it, even though the application actually made very specific and very clever recommendations for building which overcame the issues. Ultimately, because we as an agency emphatically re-wrote and re-submitted their planning application with a particular emphasis on what would have been 300 jobs at risk, it was reconsidered and thankfully accepted, but there was a moment where we could have lost it. I just think that sometimes, if you like, an absolute adherence to procedures and planning terms blinds people to the economic importance of what might be in front of them.

GONW: I am not sure quite the point of the question here, although one could certainly make some comments on what has been said. These are fairly detailed instances of the application of district council development control policies and perhaps attitudes and they do not seem to me to bear on the question of the extent to which the structure plan is positive or negative. I am still not hearing about things which are going wrong or might go wrong because of structure plan policy getting in the way. Our view was that the structure plan policy is fairly legitimate and permissive. Many of the objections which have just been raised in respect of those developments are of course perfectly normal and indeed legitimate. I cannot say on the merits of those particular cases, but these are not uncommon things which developers have to put up with and generally speaking developers are prepared to put up with them, such as archaeological excavations for example. We have to remember that economic factors should be given due weight but if economic factors are given too much weight then you risk damaging the environment of this country, which may well have a detrimental impact on its major industry, namely tourism. So these factors have to be taken in the round and if district councils are not giving economic factors due weight then (a) there is an appeal process, and (b) the Government does not want to see that happening anyway. So if this is an endemic problem in any part of this county we would want to hear about it.

MR GIBBS: You are saying in a sense it is a familiar story, part of the traditional pattern?

GONW: Well, yes, there are two sides to everything. We have heard one side and I am not quite sure what the other side was in those individual cases but clearly flood risk and archaeological remains – I cannot remember what the others were – are legitimate things to take into account. Going to Carol Crawshaw's hat maker, you might say if a member of a farmer's family wants to set up a hat-making business in a barn on that site then it would appear, on the face of it, to be unreasonable to say no. But if the farmer wants to flog his barn to a hat-maker I think it is legitimate of the local authority to say perhaps that business should be in a local service centre or a key service centre, because hat-making may be very nice but if we have too many of these

things then delivery vans driving all over the countryside are less nice. So there is a variety of factors which have to be taken into account. On the main point of whether the plan should be more positive and encourage new initiatives as against specific development proposals, I think we have to remember what the purpose of this exercise is and we can point to the brand new statutory purpose of the planning system, which is to secure sustainable development or contributing to the achievement of sustainable development, which of course includes economic growth, and if we look at planning policy statement 1 it refers to "planning aspiring to making places better for people, delivering development where communities need it" and there is a lot of things there which planning policy statement 1 says planning authorities should seek to achieve. What that boils down to really is that the planning system should not get in the way of initiatives. It is perhaps not a good idea to expect the structure plan to actually promote initiatives. The new initiatives are arising all the time and perhaps the actual promotion of the initiatives is better left to the people who know more about it than planners, people like Rural Regeneration and the Development Agency. The point is that the structure plan permits those things to happen. One could point to another thing that was mentioned this morning, the M6 corridor. Nobody wants to stop development happening in the M6 corridor as long as that development is to the benefit of the county and not perhaps the disbenefit of other parts of the county. Policy ST5 includes several towns and other settlements within the M6 corridor where it is encouraging development and that seems to me to be a legitimate application of the structure plan. I am not saying we want to promote the M6 corridor but in effect am saying if somebody else is going to set up something for the M6 corridor then the structure plan will not stop it happening and may even help it happen. That perhaps is a better way of looking at it than saying should the plan actively encourage new initiatives.

MR GIBBS: Rural Regeneration Cumbria and then I will come to FLD and then the joint authorities. (2.40 pm)

RURAL REGENERATION CUMBRIA: As a planner turned economic regeneration officer, I suppose I can see it from both sides. I think part of the problem is that maybe planning as such hasn't taken on some of the things that have been happening in terms of the whole economic regeneration thrust. One of the things that has obviously happened in the last few years is the economic regeneration has stretched out beyond what it would previously have been involved in. When I used to work for the county council and was involved in economic regeneration, at first it was on major derelict land reclamation schemes, the reuse of former steel works and coal mines and things like that. Clearly the whole agenda has moved much further now and we have an urban regeneration company and a rural regeneration company alongside the inward investment agency and the local enterprise agencies which are all promoting economic growth. You have also got the economic regeneration offices of the district councils and I sometimes wonder whether the discussions happen in the way that they should. Maybe one of the problems in relating the way that the document has been framed and the way that planning policy and development control are applied is there is lack of debate between the two areas, between planners and people working in economic regeneration.

MR GIBBS: FLD?

FLD: Just a brief point, I don't want to do the job of the Structure Plan authorities but it seems to me that the proposed changes to paragraph 3.17 of the Structure Plan set a very positive tone and indeed refer to the agencies who are making the representations.

MR GIBBS: I have seen that reference. Do the joint authorities want to come in on this general area?

AUTHORITIES: We have very little to say and I thought Chris Bamber's contribution was very helpful. It is a matter of policy we are addressing here not process and a lot of the issues have been raised about process. It is important when we have an approved policy to ensure that filters down to all the relevant organisations including development control officers at district level. What I would like to say is simply we feel that EM14 and the paragraphs, and Jack Ellerby has highlighted one of the paragraphs, relating to EM14 adequately covers enabling legitimate initiatives to take place to ensure rural employment and development in rural areas. If there are other aspects that people feel should be covered in policy terms we would like to hear them and consider them. At the moment we rest on EM14 as enabling appropriate development.

MR GIBBS: That is outside key service centres --- developments which promote business and employment opportunity will be permitted where they are of a scale and type sympathetic to the character of the area in which they are proposed and then in particular where such developments .... that is applying in the ST6 areas, the local centres, and in rural areas?

AUTHORITIES: Yes.

THE CHAIRMAN: And the National Park?

AUTHORITIES: Yes.

MR GIBBS: People are being urged to look at policy EM14 in that particular area. I am not sure that we have got many more things that people want to say in relation to this area and I don't want to keep people here unnecessarily when we have work to do summing-up on this and we have a session tomorrow on issue 2.2. Is there anything else we ought to deal with?

COUNTRYSIDE AGENCY: It is a point of information really. Mr Gibbs asked the joint authorities to bring forward their proposals for ST5 should you decide that it should be altered in some way. We are not here every day and we would like some opportunity to comment on a proposal. Can they be emailed round to participants and we can email back our response?

MR GIBBS: I don't want too much proliferation of paper. I am looking for them to do a bit of my work really. That's the reason I am asking for this. I will look critically at what they are saying and I will bear in mind all the points that people have made along the way. My view would be that you have a direct word with them and input something that you feel particularly strongly about or ask them to send you a draft on a private basis, as it were, not trying to exclude other people but trying to

keep it simple. If we have a formal draft going round and everybody else throwing things in that will be quite complicated.

AUTHORITIES: The only point I would make is that in due course there will be modifications to the Structure Plan and you will have ample opportunity to go over the wording then, in addition to the current stage.

MR GIBBS: I am sure if there are any suggestions you have, that would be helpful. Put any suggestions in.

COUNTRYSIDE AGENCY: It is just that as you have asked specifically for this point to be elaborated, I think it is appropriate for participants to have the opportunity to comment if more modifications stage. For example, the discussion we had this morning about extra columns, extra rows, certainly the Agency would be concerned about an extra column being added which in some ways prescribed levels of development in the Lake District National Park settlements.

MR GIBBS: You are happy with a new row?

COUNTRYSIDE AGENCY: That would raise a new issue about prescribing levels of development.

THE CHAIRMAN: Are you saying you would prefer to have the issue discussed again or you would prefer to have a round table discussion on whatever the county—

COUNTRYSIDE AGENCY: It depends on what comes forward, sir. If it is a radical revision of ST5 then I think it would merit reconvening. If it is minor tinkering with ST5 then I think we would be content to put in written comments.

THE CHAIRMAN: Can I check whether other people have the same concerns?

FLD: If the National Park key service centres are going to be identified then we would argue the scale and nature and type of development is also—

MR GIBBS: We are aware of that. There are various points of that nature that we as a panel will take on board. What I am hearing the Countryside Agency to say, which I will emphasise towards the joint authorities, is that there does seem to be a feeling that a row would be more appropriate than a column and I can see a logic in that because you can relate an element at the bottom of the table into policy ST11 and therefore that seems to be logical from that point of view.

AUTHORITIES: We need to clarify what exactly you want of us as joint authorities because I heard this morning that if you were so minded to include in your report some indication of what may or may not be acceptable to the joint authorities you wanted not for us to put forward any particular proposal that we would be recommending other than if you were to take steps or make suggestions that this might be from our perspective a way forward, not a formal proposed change at this stage.

MR GIBBS: That is absolutely right. It is not a formal proposed change. It is your feeling about how if we were to make a recommendation that the key centres in the National Park ought to be included, is that done better by breaking apart policy ST5

into one part which identifies key centres and a second part which relates new development in key centres? Then that second part wouldn't cover the National Park areas. Or keep ST5 as one and make some reference to the National Park centres. I see you as having two broad choices. It is then for us to form a view as to what we recommend back to you.

AUTHORITIES: That is how I saw it in the light of the discussion this morning from all parties. My personal view is I don't think it is necessary to engage further in this debate. We have heard what people have said and we will take them into account when we make suggestions to you. The other point is when do you want it by?

MR GIBBS: Before the close of the EIP.

AUTHORITIES: That's fine.

THE CHAIRMAN: Are there any other comments on that? Are people happy with that process? I want to be clear that you are happy.

COUNTRYSIDE AGENCY: Sorry, I'm not clear whether we have the opportunity.

MR GIBBS: You are not getting an opportunity on this. On the other hand, you have had your chance to feed in your comments about rows rather than columns so that may at least have been heard if not agreed with.

THE CHAIRMAN: Are you happy with that?

COUNTRYSIDE AGENCY: Well, not necessarily happy but I have heard your ruling.

MR GIBBS: We don't expect to keep everybody happy.

THE CHAIRMAN: That deals with the business of today. We shall meet again at 9.30 to consider issue 2.2.

(Meeting adjourned at 2.55 pm)