

Blackwater Valley Sub-Regional Study

Final Report

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PREFACE

This Study was undertaken for the Blackwater Valley Network, a formal partnership between the nine local authorities which cover the area known as the Blackwater Valley. They are Hampshire County Council, Surrey County Council, Hart District Council, Rushmoor Borough Council, Guildford Borough Council, Surrey Heath Borough Council, Waverley Borough Council, Bracknell Forest Borough Council and Wokingham District Council. The South East England Regional Assembly (SEERA), Hampshire Economic Partnership and Surrey Economic Partnership have worked with the Blackwater Valley Network as part of the Steering Group for the Study.

The Study has been undertaken by consultants Atkins and Ancer Spa. The views, conclusions and recommendations expressed in this report are those of the consultants and not necessarily those of the members of the Blackwater Valley Network or other members of the Study Steering Group.

The consultants would like to thank the Members' Steering Group, under the Chairmanship of Councillor Peter Hutcheson from Hampshire County Council, and the Officers' Steering Group, under the Chairmanship of Stuart Roberts from Hampshire County Council, for the assistance given during the course of this Study.

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EXECUTIVE SUMMARY

INTRODUCTION

1. This study was commissioned by the Blackwater Valley Network in response to the revised Regional Planning Guidance (RPG) 9 for the South East. The Blackwater Valley Network is a formal partnership between the nine local authorities having an interest in the Blackwater Valley.
2. The Blackwater Valley has been identified as a Sub-Region within RPG9 which identifies the need for *'...a study to assist in optimising the future economic growth in the area. Such a study should clarify the extent of the Blackwater Valley Sub-Region and identify the best locations for economic growth on the basis of taking advantage of local potential. It should help in identifying areas where labour supply is constraining growth and take positive measures to relieve this problem, either by the provision of more housing or by the improvement of public transport.'*
3. The primary objective of the study is to provide a basis for the consideration of conceptual options for sustainable economic growth and their spatial implications. The study is also intended to inform and influence both the review of RPG9 and the preparation of development plans and other documents at a more local level.

THE STUDY AREA

4. The Blackwater Valley forms part of the Western Policy Area which is characterised by a buoyant economy where high-tech industries are strongly represented. While the area is strategically well placed it is subject to increasing levels of congestion. The Blackwater Valley has strong functional links with adjoining areas particularly London and the Thames Valley, but also with other parts of Surrey and Hampshire. In terms of identity, the area is defined by the unique identity and close proximity of its individual settlements and the strong economic and functional relationships between them. Furthermore, the complexities of the administrative arrangements in the Blackwater Valley create the need for a co-ordinated policy response to address the strong development pressures which the area faces. The Blackwater Valley Network provides a cross-boundary approach to undertaking this work.

5. Key features of the Blackwater Valley include:
- The area has a population of over 300,000 with the five largest towns – Aldershot, Camberley, Farnborough, Farnham and Fleet – each having populations of between 30,000 and 52,000. Consequently no single centre dominates the area;
 - The labour market is characterised by employment in higher paid knowledge based occupations particularly in the aerospace, defence, high-tech and telecommunications sectors;
 - The housing market is dominated by expensive larger homes while there is also a significant demand for smaller and affordable homes;
 - Commercial property is characterised by an oversupply of offices and strong demand for light industrial space;
 - Transportation issues are dominated by a highly complex pattern of travel movements both within the area and to surrounding areas. Levels of commuting both into and out of the area are high;
 - Car ownership and usage are high and public transport usage is low apart from those commuting to London to work;
 - The environmental quality of the rural area is high as demonstrated by designations of national and international significance.

SWOT ANALYSIS

6. The strengths of the Blackwater Valley include its vibrant high value-added economy, its high quality rural environment, and good strategic transport links. However, local transport is seen as a constraint because of the poor integration of the local rail network, the high level of commuting and dispersed travel patterns created by the lack of a single focal point in the Blackwater Valley. Other weaknesses include the shortage of sites arising from restrictive planning policies which prevent the expansion of business and the fragmented approach to decision-making given the multitude of agencies and local authorities in the area.
7. There are significant opportunities for economic growth and increases in population and employment would provide the possibility of more effective integrated public transport focusing on development opportunities in town centres. These opportunities would be further enhanced by building on a single centre for higher order town centre functions rather than spreading facilities among several centres. The main threats to the Blackwater Valley are seen in terms of an overheating economy, unbalanced housing market and continued car dependency.

DEVELOPMENT ISSUES

8. Among the key development issues which need to be addressed as part of the future planning of the Blackwater Valley is the question of balance – between growth which responds to the key drivers of change and the further development of the knowledge based economy and sustainable forms of development. The lack of a coherent vision for the area may result in the Blackwater Valley failing to optimise future economic growth. Further, the lack of a dominant town centre leads to extensive travel, both within and outside the Study Area, to meet a range of employment, leisure and shopping needs. The future role of the town centres in the Blackwater Valley is, therefore, a fundamental issue for the area.
9. In terms of the local economy, issues to be addressed include business retention, support for emerging industries and the need for a balanced economy. Balance is also required in terms of housing – the lack of affordable housing and the lack of smaller dwellings is an important issue. In environmental terms, the qualities which make the area attractive also constrain growth. Therefore, a further important issue is the balance between development and conservation and whether the release of greenfield sites is necessary or desirable in the context of other policy considerations. Finally, in terms of transport, the problems of road congestion and low public transport patronage need to be addressed so as not to prejudice the economic health of the Blackwater Valley.

TOWARDS A SUSTAINABLE FUTURE

10. A sustainable future for the Blackwater Valley needs to be based on a policy framework which integrates social, economic and environmental goals. Guidance provided at national level, particularly through PPGs, provides core principles while RPG9 sets out themes which are integral to the promotion of sustainability. A set of desirable outcomes for sustainable development in the Study Area which provides the assessment criteria for considering the relative merits of the economic growth scenarios is also presented, based on sustainability criteria.

STRATEGIC SCENARIOS FOR THE BLACKWATER VALLEY

11. Three possible policy led strategic scenarios for the Blackwater Valley have been identified, namely:
 - Scenario 1 – Limited intervention;
 - Scenario 2 – Active discouragement of growth
 - Scenario 3 – Active adaptation to growth and change.

12. Scenario 1 equates closely to 'Do Minimum' in that it assumes there would be no major change in planning and transportation policies and that development in the Study Area would continue to be market led, regulated only through the development control process.
13. In Scenario 2 the focus is on public sector intervention to heavily constrain or prevent further development. Growth pressures would remain, but would not be fulfilled. There would be a marginal level of investment in transport infrastructure, confined to incremental improvements only.
14. In Scenario 3, which is based on active adaptation to growth and change, the primary objective would be to seek to address the sustainability needs of the Blackwater Valley comprehensively. Under this scenario proactive measures including substantial investment, would be adopted to tackle a whole range of transport, development, housing, education and training and infrastructure needs but against a backdrop of maintaining environmental quality. This scenario reflects the approach broadly advocated by the Regional Economic Strategy and RPG9 towards optimising economic growth.
15. Each scenario would result in both positive outcomes and adverse consequences in the medium to long term, which are outlined in the report.

EVALUATION OF ALTERNATIVE SCENARIOS

16. From an evaluation of the three scenarios in terms of their consequences and implications, the extent to which they are likely to achieve a sustainable outcome and their projected population and employment, the following conclusions are drawn:
 - Scenario 1: Limited intervention would be the least sustainable and could lead to a weakening of the economic base of the area. Limited investment in transport would worsen traffic congestion and could prejudice the attractiveness of the area to investment and may also diminish the quality of life for residents. Furthermore Scenario 1 would fail to address the current imbalance in the housing market, the labour skills shortage and the overheating of the labour market;
 - Scenario 2: Active discouragement of growth could well maintain or enhance the environmental quality of the area and, by dampening investment and economic activity, ease overheating of the labour market and traffic congestion. However, it may well encourage major employers to relocate out of the area leading to redundancies, putting at risk the economic prosperity of the area;

- Of the three scenarios it is Scenario 3 – Active adaptation to growth and change which is most likely to achieve the desired sustainability outcomes. Under this scenario there would be significant investment in transport infrastructure aimed at easing congestion and in facilitating sustainable development at satellite locations well served by public transport. In addition a proactive approach would be taken to promoting sustainable development, to workplace development and to cross funding affordable housing provision and infrastructure improvements from enhanced development values. Overall measures under this scenario would seek to enhance environmental quality, although some localised adverse environmental impact may be experienced;
- Of the three scenarios it is Scenario 3 – Active adaptation to growth which would lead to a greater level of self-sufficiency in the Study Area, with net out commuting declining as a closer balance is achieved between jobs and the local workforce in the longer term. Both Scenarios 1 and 2 would fail to enhance the self-sufficiency of the area, leading to high levels of out commuting and transport congestion.

TOWARDS A SPATIAL STRATEGY

17. A number of spatial options for the future sustainable development of the Blackwater Valley have been identified, as follows:
 - Concentrating development around key town centres, chiefly Aldershot and Farnborough and, to a lesser extent, Fleet, Camberley and Farnham;
 - Spreading development within existing urban areas including the above and local centres;
 - Rural housing, which may offer limited opportunities for growth in villages;
 - Urban extensions, through this option will need careful evaluation given the importance of strategic gaps and the need to safeguard areas affected by restrictive planning and environmental designations; and
 - New settlements, for which the redevelopments of MOD sites may offer opportunities.
18. To achieve the desirable outcomes for sustainable development will require a range of actions to address policy development and the delivery of future outcomes. What is called for is an approach in which the opportunities, problems and issues caused as a consequence of economic success are effectively addressed. A range of factors that would need to be addressed if the positive outcomes of sustainable development are to be fully realised throughout the area are addressed.

19. There are few places in the South East where the problems associated with economic growth are as intense as in the Blackwater Valley. However, the area is threatened by the consequences of its success given that growth patterns have led to inflexibility within the labour market, significant housing shortages and congested infrastructure.
20. Each of the three scenarios is likely to entail elements of urban concentration, infilling of villages and other windfall developments. However, urban extensions and new settlements are more likely to occur under Scenario 3 – Active growth management, than under either of the other two scenarios. What will distinguish the spatial implications of the alternative scenarios will be the amount of growth and its distribution around the Study Area.
21. A spatial strategy for the sustainable development of the Blackwater Valley is likely to focus on a number of key themes:
 - The promotion of urban renaissance;
 - Sustaining rural activities;
 - The efficient use of land;
 - The integration of land use and transport; and
 - The protection and improvement of environmental assets.
22. In drawing up a spatial strategy for the Blackwater Valley a number of factors will need to be taken into consideration, including:
 - The degree of consensus amongst the Blackwater Valley Local Authorities on the future vision for the area;
 - The political will of Local Authorities to work together in the formulation and promotion of a spatial strategy;
 - The level of resources, and funding likely to be available for implementation;
 - The nature and degree of support likely to be engendered from stakeholders in the area, not least the business community.
23. These are all matters which will require some detailed consideration by the Blackwater Valley Network.

1. INTRODUCTION

BACKGROUND

1.1 The Blackwater Valley Sub-Regional Study was commissioned by the Blackwater Valley Network in response to the revised Regional Planning Guidance (RPG) 9 for the South East issued in 2001. The Blackwater Valley Network, formed in 1996, is a formal partnership between nine local authorities covering the area known as the Blackwater Valley. The area includes the larger towns of Aldershot, Camberley, Farnham, Farnborough and Fleet together with several smaller settlements including Ash, Frimley, Sandhurst, Crowthorne and Blackwater and is shown in Figure 1.1. The Partnership works jointly on issues of land use, environment, transport and the economy that affect the Blackwater Valley.

1.2 The Blackwater Valley has been identified in RPG9 as a Sub-Region within the Western Policy Area. The Guidance recognises the work of the Blackwater Valley Network and identifies a need for joint working to:

‘...undertake a study to assist in optimising the future economic growth in the area. Such a study could clarify the extent of the Blackwater Valley Sub-Region and identify the best locations for economic growth on the basis of taking advantage of local potential. It should help in identifying areas where labour supply is constraining growth and take positive measures to relieve this problem, either by the provision of more housing or by the improvement of public transport.’

1.3 This Study has been conducted under the direction of the Blackwater Valley Network Study Steering Group which includes representatives from:

- Hampshire County Council;
- Surrey County Council;
- Guildford Borough Council;
- Waverley Borough Council;
- Bracknell Forest Borough Council;

Figure 1.1 – Study Area

- Wokingham District Council;
- Surrey Heath Borough Council;
- Hart District Council;
- Rushmoor Borough Council;
- South East England Regional Assembly (SEERA);
- Hampshire Economic Partnership; and
- Surrey Economic Partnership.

1.4 The objectives of the Study are:

- To provide a basis for the local authorities within the Blackwater Valley to consider conceptual options for sustainable economic growth within the Blackwater Valley, and their spatial implications;
- To inform and influence the review of RPG9 at a regional level;
- To inform and influence the development plan process and other documents at a sub-regional level.

1.5 Within the brief there was an implicit further objective, namely, *'the need to consider the identity of the Blackwater Valley, addressing those characteristics which give the area its distinctiveness'*.

STUDY APPROACH

1.6 The Blackwater Valley Sub-Regional Study was undertaken between July 2002 and March 2003 by a consultancy team comprising Atkins and Ancer Spa.

1.7 The Study was undertaken in two principal stages. Stage 1 assessed the key characteristics of the Blackwater Valley, identifying what is distinctive about the area, its economic prospects and the key constraints on, and opportunities for, future economic growth. This work comprised desk based technical research together with consultations with local authorities (including study tours) and a Strategic Development Workshop, with stakeholder groups on 9th September 2002. Questionnaires were sent to all stakeholders who were unable to attend the Workshop, while in parallel the Blackwater Valley Network also carried out its own consultation through the production of a newsletter. Other consultation undertaken as part of the Study involved meetings with the Hampshire and Surrey Economic

Partnerships, Learning and Skills Councils, the Thames Valley Economic Partnership and the South East England Development Agency (SEEDA). Telephone interviews were also held with prominent commercial agents and major employers operating in the Study Area. A presentation of the Stage 1 work was made to the Blackwater Valley Sub-Regional Study Members Steering Group on 20th September 2002.

- 1.8 Stage 2 of the Study comprised the identification of alternative scenarios for future sustainable development and their spatial implications together with an assessment of their environmental and economic advantages and disadvantages. The assessment indicates where, and how, environmental and infrastructure constraints to economic growth, especially housing and transport, could be overcome. It also identifies how environmental and infrastructure issues and priorities influence the scale and form of economic growth. The Study requirement is to look 20-30 years ahead and, therefore, scenarios need to be robust, yet flexible. The Study has addressed broad locations rather than being place specific whilst being sufficiently unambiguous to inform a review of regional and strategic policy.
- 1.9 A Study of this nature does not exist in isolation and in undertaking this work the consultants have had regard to a number of strategic studies and reports which have particular relevance to the Blackwater Valley. These include the following:
- The North Hampshire and West Surrey Economic Action Plan, produced for the Surrey and Hampshire Economic Partnerships;
 - The Blackwater Valley Mass Transit Study, commissioned jointly by Hampshire and Surrey County Councils and Bracknell Forest Borough Council;
 - The Regional Economic Strategy together with Draft Action Plans and Sub-Regional Priorities produced by the South East England Development Agency (SEEDA);
 - The Draft Regional Transport Strategy produced by SEERA;
 - An Economic Assessment of the Thames Valley, produced for the Thames Valley Economic Partnership;
 - An Economic Strategy for the Thames Valley, published by the Thames Valley Economic Partnership; and
 - The Thames Valley Multi-Modal Study, commissioned by the Government Office for the South East.
- 1.10 In addition to these strategic studies, this report takes account of a range of more local background studies and reports which are set out in the following documents produced by the Blackwater Valley Network:

- Compendium of Data and Information;
- Urban and Landscape Character Analysis;
- Overview of Infrastructure Issues.

STRUCTURE OF REPORT

- 1.11 This report is set out as follows. Section 2 provides a broad description of the Study Area in its regional context as an introduction to the more detailed assessment of the characteristics of the Blackwater Valley in Section 3. This is provided in terms of its broad economic structure including employment, demand analysis, population, land and property, transportation, environment and other supporting infrastructure. Section 4 provides a SWOT analysis, where the findings of the baseline studies are distilled into the identification of the strengths, weaknesses, opportunities and threats associated with the Blackwater Valley.
- 1.12 Section 5 takes the analysis of key issues further with the identification of those which are relevant to the future development of the Blackwater Valley. In Section 6 the outcomes which would signify a desirable sustainable future for the Blackwater Valley are identified. Section 7 describes the three strategic economic growth scenarios and reviews their medium to long term consequences while Section 8 provides a comparison between the scenarios. Section 9 addresses general factors affecting economic growth management in the context of a spatial strategy for the area. Finally, Section 10 sets out conclusions and implications for future work. The report is supported by a number of Appendices.

2. THE STUDY AREA IN CONTEXT

REGIONAL CONTEXT

Regional Planning Context

- 2.1 RPG9 states that the ‘...the Blackwater Valley encompasses all or parts of the administrative districts of Surrey Heath, Waverley and Guildford in Surrey; Bracknell Forest and Wokingham in Berkshire; and Hart and Rushmoor in Hampshire. The Valley runs in a south to north-west direction and includes the larger towns of Farnham, Aldershot, Farnborough and Camberley, and several smaller settlements including Ash, Frimley Green, Blackwater and Sandhurst’ (para 12.51, RPG9, 2001).
- 2.2 RPG9 sets out the planning framework for the South East Region until 2016. It is based on encouraging economic success and opportunity whilst ensuring a higher quality of development within more sustainable patterns of development. Four key features or objectives are identified for the Region:
- Urban renaissance and concentrating development;
 - Efficiency in the use of land;
 - Integrated land use and transport; and
 - Securing a multi-purpose countryside.

The Western Policy Area Context

- 2.3 The Blackwater Valley is identified in RPG9 as a Sub-Region within the Western Policy Area. The Western Policy Area stretches from Watford in the north round to Gatwick in the south and is generally very buoyant economically. According to RPG9 it is ‘characterised by pressures and constraints which can be measured, in particular with regard to the tightness of the labour market, housing and property markets and transport issues’. It is an area where high-tech industries are strongly represented.
- 2.4 Figure 2.1 illustrates the Blackwater Valley in its Regional Context and is based on the Core Strategy of RPG9.

Figure 2.1 - Strategic Context

- 2.5 RPG9 advises that economic strategies for the Western Policy Area should build upon economic strengths, particularly the high skill levels and knowledge base to ensure that the economy continues to grow in a sustainable way with minimal additional pressure on limited labour and land resources. Recognising the importance of the environment in attracting investment to the area is also a key objective set out in RPG9.
- 2.6 Within the Western Policy Area three sub-regions have been identified where collaborative approaches between local authorities and other organisations are necessary to tackle cross-boundary issues. These comprise the Blackwater Valley, Thames Valley and the Crawley/Gatwick/M23 Area. The significance of the Thames Valley in relation to the Blackwater Valley is described in the following section.

Regional Transportation Context

- 2.7 In terms of strategic transport provision the Blackwater Valley is well served by Heathrow and Gatwick airports. In terms of rail, the main strategic route through the Blackwater Valley is the Waterloo-Southampton-Exeter Line via Farnborough with services provided by South West Trains. The M3 provides the main traffic route through the area providing strategic access between London and the South Coast (and to the South West). To the north-east of the Blackwater Valley the M3 intersects with the M25, providing good access to the national road network.
- 2.8 RPG9 specifically notes the shortcomings of the rail network in the Blackwater Valley, particularly the poor relationship between the north-south and east-west lines. The guidance also sets out the need for transport investment to optimise the use of the existing network, overcome bottlenecks, combat congestion and enhance integration between modes in order to produce a high-quality, integrated transport system. Other key elements of the highway and rail networks are described in Section 3.
- 2.9 The transport concerns which are set out in RPG9 are echoed in SEERA's Draft Regional Transport Strategy 'From Crisis to Cutting Edge'. It notes that the regional transport system is failing to deliver and states that, 'Overall, the transport system is wasteful of resources and unsustainable in economic, social and environmental terms.' Its vision is for a high quality transport system to act as a catalyst for continued economic growth and provide for an improved quality of life for all in a sustainable and socially inclusive manner.

Regional Economic Context

- 2.10 The Regional Economic Strategy (RES) (September 2002) produced by South East England Development Agency (SEEDA) recognises that the South East Region is the second largest regional economy in the UK, second only to that of London. It has the largest regional population and the highest regional employment rate in the UK. South East England is also one of the 40 highest performing regions spanning Europe, North America and Asia Pacific. There is, however, substantial variation within the region, with the knowledge economy powerhouses concentrated in the western and northern parts of the region.
- 2.11 The Blackwater Valley is identified as an area of economic success within the RES where the primary need is to improve competitiveness and skills availability and to overcome the pressures that result from economic success.
- 2.12 The Action Plans and Sub-Regional Priorities identified in the RES outline the context and priorities for the Blackwater Valley which include giving priority to skills, labour, transport and land use issues. These priorities also recognise the need to invest in the necessary infrastructure to support effective regeneration in areas of urban deprivation, including Farnborough and Aldershot.

SUB-REGIONAL CONTEXT AND INTERACTIONS

Interaction with London

- 2.13 As part of the South East Region the Blackwater Valley has a strong relationship with London – the economic, cultural and communication hub of the country which dominates at a regional scale. London is only 40 miles from Farnborough with rail services between Farnborough and Waterloo taking 36 minutes. Apart from relatively easy access to central London by train, strong economic links exist between the Blackwater Valley and west London. RPG9 notes that the West London Sub-Region is a thriving part of the city with a diverse economy including clusters of international businesses, a growing knowledge-based economy and the growth potential which exists around Heathrow Airport. The Draft London Plan sees the potential for significant growth in jobs and homes in the west London area over the next 15-20 years. According to the North Hampshire and West Surrey Economic Action Plan almost half of the economically active residents of the Blackwater Valley commute outwards to either central London or the Heathrow area, and a large number of the ICT suppliers depend on central London, as this represents a major concentration of their client base.

Interactions with the Thames Valley

- 2.14 The Thames Valley Sub-Region is significant because of its location adjacent to the Blackwater Valley. This area is characterised by high-tech and business service employment and by significant development pressure. Like the Blackwater Valley there are considerable pressures on the transport network, land resources and house prices. There are strong inward and outward commuting patterns between the Blackwater Valley and the Thames Valley which have been addressed in a number of recent studies including An Economic Assessment of the Thames Valley, An Economic Strategy for the Thames Valley and the Thames Valley Multi-Modal Study.
- 2.15 There is limited evidence of inward investment from the Thames Valley into the Blackwater Valley though in the long term the lower cost base of the Blackwater Valley could prove attractive to Thames Valley based companies.

Relationship to the Rest of Surrey

- 2.16 The Blackwater Valley includes the north-western parts of Surrey. In terms of interactions, this part of the County has a strong relationship with Hampshire, the Thames Valley and central and west London, while the M3 and M4 corridors, in particular, provide a significant job market for Blackwater Valley residents. As set out in the following section, towns in Surrey such as Woking and Guildford, which are larger than any of the Blackwater Valley settlements, have a significant impact upon the Blackwater Valley.
- 2.17 There is a significant cluster of software and media development activity in and around Guildford centred on Surrey University, the Surrey Research Park and the town centre. The extent to which this cluster impacts on the Blackwater Valley is not clear, though it has potential for significant economic interaction.

Interactions with the Rest of Hampshire

- 2.18 The north part of Hampshire has a strong relationship with the Blackwater Valley and shares a number of its problems, notably economic overheating, congestion and housing and skills shortages. These problems affect other areas in the north of the county particularly those towards the M4 corridor.
- 2.19 Mid Hampshire is not subject to such development pressure. Whilst settlements such as Andover, Winchester and Petersfield sustain large levels of employment the Mid Hampshire area is predominantly rural. The County Council's strategy is to diversify the economies of these towns so to attract further employment to sustain towns and villages, without harming the rural environment.

- 2.20 South Hampshire is dominated by the Southampton/Portsmouth conurbation. The RES recognises the need to focus on attracting higher order activities to this area, particularly by improving transportation and through enhancing educational achievement. In the long term, South Hampshire has the potential to accommodate overspill activity relocating from the north of the county and there is the prospect of utilising existing clusters including aerospace, defence and ICT, as a catalyst to development.

Administrative Context

- 2.21 The administrative context for the Blackwater Valley is shown in Figure 2.2. This clearly demonstrates the complexity of the area in terms of identity, being located at the intersection of three counties (including the former administrative County of Berkshire) and including seven districts/boroughs or unitary authorities. For some authorities, the Blackwater Valley forms a very small part of their area. In some cases other settlements within the district/borough or unitary authority are seen as being more significant in terms of the hierarchy of settlements. This can be demonstrated by reference to the populations of surrounding areas which are shown in Figure 2.3. The administrative complexity of the area helps to explain why in the past there has been a lack of comprehensive and co-ordinated planning in the Blackwater Valley.

THE BLACKWATER VALLEY IDENTITY

Overview of the Study Area

- 2.22 The Blackwater Valley is characterised by a number of small and medium sized towns which are clearly distinguished as separate settlements. The Study Area has a population of over 300,000 with the largest settlement being Farnborough with over 51,000 residents. Aldershot, Camberley, Farnham and Fleet also have populations greater than 30,000. The Study Area, as shown on Figure 1.1, has an area of 27,350 ha (106 sq. miles). It is estimated that 30.4% of the area is urbanised with 69.6% countryside (see the Blackwater Valley Network Compendium of Data and Information).
- 2.23 The Blackwater Valley is characterised by a highly complex pattern of travel movements both between the settlements within the Study Area and into and out of the Study Area. Hart District, for example, has a workforce of around 44,500, approximately 50% of whom commute out of the District to work. Like other parts of the South East there is significant pressure on the local road network and a reliance on the private car. Car ownership levels are high with, for instance, over 50% of households in Surrey Heath owning two or more cars.

Figure 2.2 - Administrative Areas

Figure 2.3 - Population of the Main Settlements

- 2.24 Over 140,000 people are employed in the Study Area which provides a nucleus for both high-technology research and a cluster of aerospace and high-technology industries. As a result the towns within the Blackwater Valley generally enjoy a buoyant economy. From an economic viewpoint there is a significant degree of interaction between towns within the Blackwater Valley due to the demand for business accommodation from the high growth industries focused on Camberley and Farnborough.
- 2.25 In relation to the Blackwater Valley, the North Hants and West Surrey Economic Action Plan (2002) states that economic growth is expected to continue at previous rates for at least the next five years with 'scope for expansion despite perceived constraints'. The Action Plan also states that the Blackwater Valley economic pattern shows a gradient of costs and returns running south and west 'with higher levels of demand closer to the Thames Valley'. The Action Plan identifies the character of the Blackwater Valley as functionally linked with the wider economy, subject to increasing pressure for development/commuting and potentially faced with a declining quality of public services.
- 2.26 The Blackwater Valley has been subject to development pressure since the 1960's for land for both housing and employment. This pressure arises from the effect of regional policies (Growth Area 8), its strong economic base, proximity to London, and good road links to other parts of the South East. There is continued pressure for development but this is largely constrained by Green Belt and environmental designations.
- 2.27 In environmental terms the Blackwater Valley is characterised by high quality rural areas together with attractive built-up areas. These are described in detail in Section 3.
- 2.28 A significant factor in the area is the extent of the Ministry of Defence (MOD) presence and land ownership in the Blackwater Valley (Figure 2.4). The MOD is a major landowner in the area with interests ranging from the Royal Military Academy at Sandhurst to the Military Town in Aldershot and Deepcut Barracks in Surrey Heath. Its interest covers urban areas as well as training areas in the countryside.

Figure 2.4 - MOD Land Ownership

2.29 The Blackwater Valley has been identified in RPG9 as a Sub-Region within the Western Policy Area. As a Sub-Region the Blackwater Valley can be characterised as follows:

- The Blackwater Valley name is not widely recognised and many people who live, work or visit the area on a regular basis do not recognise the name. However the Blackwater Valley Route (A331) has assisted in defining the area;
- The Blackwater Valley derives its character and identity from the individual settlements which make up the area and which reflect great diversity and uniqueness. For example Farnham's character stems from its historic urban form, Aldershot's character is founded on its military associations, Farnborough is strongly associated with aviation and aerospace and Fleet and Camberley have a strong high-tech focus;
- There are important economic and functional relationships between the main urban settlements which together form the Blackwater Valley area and are partly a response to the close proximity of the separate settlements. Nevertheless no one urban centre dominates the area;
- The settlements which make up the Blackwater Valley are the responsibility of nine different local authorities, a situation which in the past has resulted in a fragmented approach to policy development and infrastructure provision;
- The question of whether the Blackwater Valley is simply a part of the Thames Valley has been considered, and while many of the issues faced are common to both areas, the unique character and function of towns in the Blackwater Valley suggests that it should be addressed as a separate area from the Thames Valley.

2.30 In summary, the close proximity of its individual settlements and the strong economic and functional relationships between them defines the Blackwater Valley as a functional entity requiring a co-ordinated policy response to the development pressures facing the area. To overcome the complex administrative arrangements affecting the area the Blackwater Valley Network provides a cross-boundary approach to policy making.

BLACKWATER VALLEY PLANNING CONTEXT

Berkshire Structure Plan

2.31 The Berkshire Structure Plan 1991-2006 was adopted with alterations in 1997. The Plan is currently under review with the Berkshire Structure Plan 2001-2016 (Deposit Draft) published in early 2002. The Blackwater Valley is identified in the Berkshire Structure Plan as a strategic location to support its role as an area of regional

importance. Policy DP9 of the Berkshire Structure Plan states that the local authorities: '...will work closely with other authorities in the Blackwater Valley Area to provide a co-ordinated land use, transportation and environmental strategy for the area and ensure that development is provided in an integrated and sustainable way'.

- 2.32 The Berkshire Structure Plan identifies Bracknell as the focus for major town centre development with improved accessibility particularly by improved connections to Heathrow and the Blackwater Valley. Growth will take place in the town centre and new housing areas which will be developed to maximise the opportunities for public transport use.
- 2.33 Wokingham will continue to have a market town role. The Structure Plan seeks the revitalisation of the town centre and a continuation of housing development both within the town and on the edge of the urban area. Small towns will continue to provide local employment and services strengthened by limited housing, retail, leisure and employment development and by improvements in access to and within these towns.

Hampshire Structure Plan

- 2.34 The Hampshire County Structure Plan 1996-2011 was adopted in 2000 and does not have a policy specifically relating to the Blackwater Valley area. Among the most significant policies in the Structure Plan with relevance to the Blackwater Valley is Policy S1 which demonstrates a commitment to town centres including Aldershot, Farnborough and Fleet. This provides support for the diversification of land uses particularly employment, educational opportunities, leisure, entertainment and cultural facilities and residential accommodation. Also of significance to this Study is Policy G1 which supports the maintenance of strategic gaps including those between Fleet and Aldershot/Yateley, the Blackwater Valley towns (Aldershot to Yateley) and the County Boundary (the Blackwater Gap).
- 2.35 In light of Government proposals to radically change the development plans framework, work on the roll forward / review of the Hampshire County Structure Plan has ceased. Instead the three Hampshire Strategic Planning Authorities have resolved to assist the South East England Regional Assembly and Hampshire District Councils with the preparation of the new style Regional Spatial Strategy and sub-regional strategies proposed by the Government.

Surrey County Structure Plan

- 2.36 The Blackwater Valley is identified in the Surrey Structure Plan Deposit Draft (December 2002) as one of five sub area priorities. The aim is '*to plan in an integrated way, focusing on improvements to the quality of the built environment and the transport network.*' The key spatial and land use priorities to achieve this include:

- Contributing to the preparation of a shared vision for the Blackwater Valley taking into account social and economic needs and recognising the limited potential of Surrey to contribute to the wider sub-regional development needs;
 - Supporting an integrated transport solution;
 - Facilitating sustainable economic growth through the re-use of existing employment land;
 - Resisting further urbanisation of the area within Surrey and maintaining the Blackwater Valley Strategic Gap; and
 - Ensuring the conservation of the Blackwater Valley River corridor.
- 2.37 Policy LO1 addresses the location of development. In relation to the Blackwater Valley it states that development should accord with the principle *'to make best use of opportunities for housing on previously developed land within the urban areas, ensuring that new development contributes to improvements to the quality of the built environment and transport network. The Blackwater Valley Strategic Gap will be maintained.'*
- 2.38 In terms of retailing, Guildford is identified in the Structure Plan as a regional retail centre (Group 1) with Camberley one of five Group 2 centres and Farnham one of five Group 3 centres.

Bracknell Forest Borough Local Plan

- 2.39 The Bracknell Forest Borough Local Plan was adopted in early 2002 and covers the period 1991 to 2006. The focus of development in the Borough is in and around Bracknell Town Centre. Smaller redevelopment proposals for sites within the urban areas of Crowthorne and Sandhurst are included in the Local Plan.

Guildford Borough Local Plan

- 2.40 The current Guildford Borough Local Plan was adopted in early 2003. The principal settlement in the Borough is Guildford with secondary urban areas at Ash, Ash Vale and Tongham. Outside of the urban areas most of the Borough is Green Belt. The Structure Plan Deposit Draft identifies significant housing growth in Guildford itself on previously developed land.

Hart District Local Plan

- 2.41 The Hart District Replacement Plan 1996-2006 is currently being reviewed with proposed modifications published in 2001. The District experiences significant development pressures particularly within Fleet, Yateley and Blackwater.

Rushmoor Borough Local Plan

- 2.42 The Rushmoor Local Plan (Review) 1996-2011 was adopted in 2000. Rushmoor is the only district which is entirely covered by this Study. The Borough boundary is tightly drawn around the two principal towns - Aldershot and Farnborough.
- 2.43 Supplementary Planning Guidance was adopted in July 2002 for the Military Town. As part of the Ministry of Defence's Project Connaught, this will see the redevelopment of an area of more than 600 ha of the Military Town, some of which will be retained as open countryside. It is anticipated that the development will provide over 2,000 dwellings, triggering the need for supporting facilities and infrastructure. The other significant development area in the Borough is Farnborough Aerodrome where the creation of a science park/technology centre is being promoted alongside the continued business use of the airfield.

Surrey Heath Local Plan

- 2.44 The Surrey Heath Borough Local Plan was adopted in 2000 and covers the period up to 2006. Camberley, within the Blackwater Valley, is the principal settlement in the Borough with much of the east of the Borough being rural. Substantial mixed use redevelopment of Camberley town centre is being promoted while in the Yorktown area redevelopment of employment areas to higher development densities is planned. Significant brownfield housing development is under construction at Deepcut.

Waverley Borough Local Plan

- 2.45 The Waverley Borough Local Plan was adopted in April 2002. Farnham is Waverley's main town in the Blackwater Valley and one of four major centres in the Borough. The town is of major historical importance but suffers from significant transport problems to the south. A major town centre mixed use development scheme is due to begin shortly.

Wokingham District Local Plan

- 2.46 The Wokingham District-wide Local Plan covers the period 1996-2006. The Public Inquiry into the Plan was held in two parts with the second Inspector's report received

in October 2001. Modifications to the Plan was published for consultation in January 2003. Pinewood is the only settlement in Wokingham within the Study Area. Pinewood forms the northern extremity of Crowthorne in Bracknell Forest District. A site for at least 70 dwellings is identified as an urban extension in North Pinewood for potential development after 2006.

3. BASELINE ASSESSMENT

GEOGRAPHICAL CONTEXT

- 3.1 The principal settlements within the Study Area are Aldershot and Farnborough in Rushmoor, Farnham in Waverley, Fleet in Hart and Camberley in Surrey Heath. The main urban areas, with the exception of Fleet, are located to the east of the Study Area and are aligned in a north-south direction along the Blackwater River Valley. Fleet, to the west of Aldershot and Farnborough, is somewhat isolated from the other main settlements. Much of the central part of the Study area is characterised by a coalescence of settlements. Through Yateley, Blackwater, Farnborough and Aldershot the area is almost continuously built-up to the west of the Valley while on the eastern side Tongham, Ash, Ash Vale and Mytchett merge with Frimley Green, Frimley, Camberley and Sandhurst to the north. Beyond Sandhurst, Crowthorne merges into Pinewood.
- 3.2 The urban areas are surrounded by a predominantly rural area characterised by heath and moorland to the north-east (Crowthorne Woods and Deepcut), and the River Wey Valley, east of Farnham. Further heathland can be found to the west of Farnham, with farmland, woodland and heath to the east and north-east of Hart.
- 3.3 The Blackwater Valley itself is an important riparian environment in the Study Area. The river runs through a narrow natural corridor bounded by development.

SETTLEMENT HIERARCHY

- 3.4 Policies in Structure and Local Plans identify a settlement hierarchy which is identified in Table 3.1 and Figure 3.1. Within Hampshire and Surrey, town centres are identified as the focus for investment in employment, retail, leisure and other service provision and these centres reflect the larger settlements within the Study Area. There are no regional centres within the Study Area, but Bracknell, Reading, Woking, Basingstoke and Guildford are all larger towns located close to the Blackwater Valley and have varying degrees of impact upon the area. There is no agreed hierarchy of settlements for the Blackwater Valley and, without the existence of a premier centre, there is potential for competition between centres for new retail/leisure and service development.

Figure 3.1 - Settlement Hierarchy

Table 3.1 – Settlement Hierarchy

Settlement	District / County	Status
Aldershot	Rushmoor Borough/ Hampshire	Town Centre
Ash	Guilford Borough/ Surrey	Local Centre
Ash Vale	Guilford Borough/ Surrey	Local Centre
Blackwater	Hart District/Hampshire	Local Centre
Camberley	Surrey Heath Borough/ Surrey	Town Centre
Crowthorne	Bracknell Forest Borough/ Berkshire	Local Centre
Farnborough	Rushmoor Borough/ Hampshire	Town Centre
Farnham	Waverley Borough/ Surrey	Town Centre
Finchampstead North	Wokingham District/Berkshire	Local Centre
Fleet	Hart District/ Hampshire	Town Centre
Frimley	Surrey Heath Borough/ Surrey	Local Centre
Frimley Green	Surrey Heath Borough/ Surrey	Local Centre
Sandhurst	Bracknell Forest Borough/ Berkshire	Local Centre
Tongham	Guilford Borough/ Surrey	Local Centre
Yateley	Hart District/ Hampshire	Local Centre

Source: Consultants

- 3.5 Apart from town and district centre retail areas, the Blackwater Valley also contains a number of large out-of-centre retail areas including The Meadows in Sandhurst, Farnborough Gate and Water Lane, Farnham. There are also a number of significant retail proposals planned, particularly in Farnham, Farnborough and Fleet. The main town centres also provide the primary locations for entertainment and leisure/recreation.
- 3.6 In terms of education, among the key establishments are sixth-form colleges in Farnborough, Camberley and Farnham, a College of Technology in Farnborough and Surrey Institute of Art and Design University College in Farnham. Hospitals are located at Frimley Park and Farnham while fire stations are found in Farnham, Crowthorne and Farnborough.

DEMOGRAPHIC CHARACTERISTICS

Population Profile

- 3.7 The total population of the Blackwater Valley as estimated at 2001 was 307,219 persons. Approximately 35% of the population of the Blackwater Valley lives in

Surrey with almost 50% resident in Hampshire and the remaining 15% living in Berkshire. The population of the main settlements is shown in Table 3.2 and Figure 2.3.

- 3.8 The total population is expected to remain relatively stable for the period until 2006.

Table 3.2 – Population of Urban Areas (1991 Census)

Town	Resident Population
Aldershot	31,099
Ash	15,500
Camberley	34,400
Crowthorne (Bracknell Forest BC)	5,685
Farnborough	51,367
Farnham	36,300
Fleet	30,391
Finchampstead	11,772
Frimley / Frimley Green	13,200
Frogmore	10,189
Mytchett	4,300
Pinewood (Crowthorne) (Wokingham DC)	6,568
Sandhurst	21,258
Tongham	2,070
Yateley	15,663

Source: Blackwater Valley Compendium of Data and Information/Local Authorities

Age Profile

- 3.9 The 1991 Census shows that the largest percentage of the population falls within the 30-44 and 45-59 age brackets at 23.3% and 19.7% respectively. The number of residents over the age of 60 is at a relatively low level (20.2%) compared to national levels.

Household Profile

- 3.10 Household figures for the Districts and Boroughs within the Blackwater Valley show that there were in the region of 117,000 households in the area in 2001. Some 50% of households comprise married couples with single person households comprising approximately 30% and lone parent households about 5%. Of those households formed by married couples more than half have children. Household projections are not available for individual urban areas within the Study Area but, as an example, in Rushmoor the number of households has increased from 30,523 in 1991 to 34,076 in 2001 and is projected to rise to 35,632 in 2011.
- 3.11 Based on national trends it is likely that the proportion of single persons will increase over the next 5 to 10 years with an increase in smaller households and a subsequent increased demand for housing. However, it should be noted that an increase in number of single person households does not lead directly to a greater demand for smaller units.

LABOUR MARKET

- 3.12 There were 142,000 people employed in the Blackwater Valley in 2000, as identified from the latest available annual employment survey. A large proportion of residents are employed in the service sector, primarily in managerial/technical jobs.
- 3.13 The tightness of the labour market is recognised in RPG9 and labour market pressures are expected to increase. Around half of those living in the area out-commute, principally to London and to a lesser extent to the Thames Valley and Surrey areas.
- 3.14 The Blackwater Valley employment base is dependent on a high level of in-commuting, with over half of local jobs being taken by those living outside the area. This has a major impact on labour costs, given that employers have to recruit workers from afar and induce them to travel long distances. Further, existing settlements within the area are not able to provide sufficient labour to a growing economy and as a result the Blackwater Valley is suffering from labour shortages. The lack of 'affordable'/key worker housing has been identified as a significant constraint on the provision of labour and one which could lead to major businesses relocating outside the Sub-Region in the future.
- 3.15 The Blackwater Valley workforce is made up of a comparatively large proportion of knowledge-based workers and those in higher paid occupations. Earnings levels are between 16-28% higher than the South East Region average.

- 3.16 Farnborough and Camberley are the main employment centres with Farnborough being a focus for aerospace and defence-related employment while Camberley's base is broader and includes high-tech manufacturing, aerospace and telecommunications. Manufacturing employment provides significant jobs at Aldershot and Farnham but relatively low levels of employment in other urban centres within the Blackwater Valley. Farnham is also a focus for financial and business services employment.
- 3.17 The main focus of employment is in the east of the Study Area within the ribbon of settlements that follow the route of the River Blackwater. This reflects the historic development of the area and the focus on high-tech and aerospace industries which, together with supporting services, have experienced the greatest levels of growth over the past decade.
- 3.18 Projections by the Department of Transport, Local Government and the Regions (DTLR) (as quoted in the North Hampshire and West Surrey Economic Action Plan) indicate that employment within the wider Blackwater Valley (comprising the districts of Basingstoke, East Hants, Hart, Rushmoor, Test Valley (north), Guildford, Surrey Heath and Waverley) will grow by 23% between 2001 and 2016, amounting to an additional 56,000 jobs. In contrast, growth in the workforce of only 11% (30,000 workers) is projected within the same timescale. At present there is a shortfall of jobs compared to resident workers of 17,000 but because of net out-commuting there is almost full employment throughout the Study Area. The overall job deficit within the Blackwater Valley is expected to reverse by 2016 with 10,000 more jobs than workers. This will create further pressures on labour supply for the area leading to increased competition for workers with areas outside the Study Area and increased commuting from areas to the south and west.
- 3.19 Table 3.3 sets out employment forecasts for the Blackwater Valley Districts using TEMPRO and RPG base information. The TEMPRO projections reflect a trend based approach and capture how employment will grow if past trends are maintained in the future. The TEMPRO projections for the Blackwater Valley Districts are compatible with those contained within the North Hampshire and West Surrey Economic Action Plan as the Districts are projected to grow in aggregate by 22% between 2001 and 2016, amounting to an additional 83,000 jobs. The TEMPRO projections for the Districts of the Blackwater Valley have been used as a reference case for developing scenarios for the Blackwater Valley itself which are set out in Chapter 7.

Table 3.3 – District Employment Forecasts

District Area	1998		2016		2030	
	Source	NOMIS (ONS)	TEMPRO	RPG	TEMPRO	RPG
Hart		32118	41227	36181	47559	N/A
Rushmoor		43015	49448	43722	52871	N/A
Surrey Heath		46376	66609	61891	81167	N/A
Bracknell Forest		56897	77013	67312	91114	N/A
Guildford		66709	82551	76539	91184	N/A
Waverley		54468	66279	61182	72998	N/A
Wokingham		61643	76140	68464	85821	N/A

Source: RPG 9 and TEMPRO

EMPLOYMENT STRUCTURE

3.20 As can be seen from Table 3.4, the sectors accounting for the largest proportions of employment are other business services and distribution at 27% and 25% respectively. Manufacturing accounts for 11% of employment and other public sector 15%, with defence, other services, construction, transport and communications each accounting for between 4 and 5%. The Blackwater Valley has an unusually high dependency on defence-related employment (ie armed forces) which, for example, accounts for 47% of employment in Rushmoor Borough although employment at the Defence Evaluation and Research Agency has fallen recently following rationalisation and privatisation.

Table 3.4 – Blackwater Valley Employment Structure and Trends, 1995-2000

Industry Sector	1995	%	2000	%	Change 1995 – 2000	%
Agriculture, Mining (01 – 14)	92	0.08	442	0.3	350	380
Manufacturing(15 – 37)	12638	11	16664	11	4026	31
Utilities(40 – 41)	350	0.3	152	0.1	-198	-56
Construction(45)	3932	3	5615	4	1683	42
Distribution(50 – 55)	29603	26	35858	25	6255	21
Transport & Communications(60 – 64)	5273	4	5959	4	686	13
Financial Services(65 – 67)	4510	4	3826	2	-684	-15
Other Business Services (70 – 74)	24976	22	38172	27	13196	52
Defence and Public Administration(75)	8462	7	6209	4	-2253	-26
Other Public Sector (80 – 90)	19174	17	21771	15	2597	13
Other Services(91 – 95)	3436	3	7181	5	3745	108
TOTAL	112445		141852		29407	26

Source: AES 1995 - 2000

Areas of Employment Growth

3.21 Between 1995 and 2000, employment within the Blackwater Valley grew dramatically from 112,000 to 142,000 employees, a rise of 26%. Key components of the area's employment growth were as follows:

- The largest area of growth was other business services, which grew by 13,000 from 25,000 to 38,000 employees, a rise of 52%;
- Distribution grew by 6,000 jobs to a total of 36,000, a rise of 21%;
- Manufacturing grew by 4,000 to 16,600 jobs, a rise of 31%;
- Other services grew by 3,700 to 7,200 jobs, a rise of 108%;
- Publishing, printing, reprographics and recorded media grew from 950 jobs to 1,650 jobs, a rise of 700 (73%);
- Other major areas of job growth included recreational, cultural and sporting activities, which grew by 175% to 4,600 employees and retail and wholesale distribution, which grew by 2,600 (19%) and 2060 (35%) jobs respectively;
- Education rose by 22%, construction 42%, hotels and restaurants 16% and real estate activities by 90%, though in all areas they were starting from a low base; and
- Agriculture grew from 26 to 350 jobs over the period.

3.22 Associated with these developments is the recent employment growth pattern in high-technology and knowledge-based activities, characterised by:

- Employment in computing and related activities rose by 4,200 (61%) from 6,900 to 11,100 employees;
- Employment in manufacturing of other transport equipment (which in a local context includes aerospace) grew by 121% from 1,300 to 2,800 jobs;
- Employment in manufacturing radio and communications equipment rose by 1,500 jobs (135%) to 2,600 jobs. Research and development grew by almost 200% to 1070 jobs, a rise of 700 jobs;
- Manufacturing of office machinery and computers rose from 150 to 640 jobs, a rise of 320%;
- Manufacturing of electrical machinery and apparatus rose from 490 jobs by 440 jobs to 930 jobs, a rise of 86%;

- Within the defence cluster there are many technology crossovers. For example, the army generates a large number of skilled communication specialists, who on leaving are regularly recruited by some of the large telecommunications companies situated in the area.

Areas of Employment Decline

- 3.23 There has been a major decline in the defence and public administration sector which fell by 2,300 jobs (27%) over the period from 1995 to 2000. The next largest area of job loss was in financial intermediation and insurance, which fell by 780 (26%) and 440 (43%) jobs respectively.
- 3.24 A number of manufacturing sectors have also declined including fabricated metal products, chemicals and chemical products. There have also been major reductions in employment in some of the utility industries, particularly water and post and telecommunications.
- 3.25 A number of the more traditional industries, including those in manufacturing, have tended to decline over the past 5-7 years in line with regional and national trends, but there is evidence to suggest that increasing costs and labour shortages may be forcing the lower value-added employers out of the area.

DEMAND ANALYSIS

Sources of Inward Investment

- 3.26 The Blackwater Valley and Thames Valley have been major destinations for foreign investment over the past two to three decades predominantly from the United States and the Far East including such names as Sun Micro Systems, Toshiba, Electronic Data Systems, BT, IBM, Nokia and BAE Systems. There has also been a pattern of inward movement from major London based businesses consolidating within the area. In the past these companies have concentrated around Farnborough and Camberley and have set up both production and head office functions.
- 3.27 Key sectors generating foreign investment activity include ICT (software applications and services and telecommunications and hardware); the defence sector; financial services; and biotechnology.
- 3.28 Future demand is likely to focus on biotechnology/life science industries, the environmental industries and the advanced engineering and automotive manufacturing activities.

- 3.29 A pattern of growth is common with an initial foothold in sales and marketing activities leading to expansion into manufacturing, technical support services and distribution activities. There is also a pattern of consolidation of multi-sited activities into single sites within the Blackwater Valley area.

Locational Factors Generating Demand

- 3.30 Most significant businesses moving into the Blackwater Valley locate for strategic reasons. Evidence obtained from commercial property agents confirms that most recent enquiries have been from companies already within the area. For new and existing companies the area has the following benefits:
- **Cost advantage:** Cheaper rental costs, staff costs and cheaper housing, than London or the M4 corridor. Commercial property costs are some 15 to 20% lower than those in Slough, Reading or Maidenhead and substantially lower than London;
 - **Ease of access to motorway system:** The area has relatively strong transport infrastructure and good access to the motorway network;
 - **London access:** Some parts of the Blackwater Valley, such as Farnborough, are well connected for access to London;
 - **Large local skilled labour force:** The area is home to 15,000 businesses with a high concentration of skilled workers;
 - **Lifestyle quality:** The Blackwater Valley is a good area in which to live, with good facilities and an attractive environment;
 - **Synergy, to be amongst like-minded industries:** There are many modern hi-tech industries and, therefore, the area provides a major core of high economic growth for ICT and defence manufacturers;
 - **Access to a government research establishment:** The presence of QinetiQ at Farnborough gives companies in this area some access to government science and technology research, and access to the largest pool of scientists in Europe;
 - **Good area for spawning businesses:** Having a high concentration of technical and skilled staff, the area has spawned many company offshoots and new companies from staff leaving to set up on their own;
 - **Airfield potential:** Use of Farnborough Airfield for business aviation has added to the available facilities for large international companies.

Key Economic Growth Drivers

Defence and Aerospace Cluster

- 3.31 The cluster of aerospace, ICT and defence diversification industries (most of which fall under the manufacturing sector), employing a highly skilled, knowledge-based workforce represents a major focus for high technology research and development.

Associated ICT Industries

- 3.32 In the neighbouring area of Bracknell, and along the M4 corridor, there is a significant cluster of ICT companies. These companies provide important local linkages in this market.
- 3.33 Other important economic drivers associated with the ICT sector, which exist beyond the Blackwater Valley, are the Enterprise Hubs in Surrey including the Royal Holloway Research Centre and the Surrey Research Park.

Creative and Media Industries

- 3.34 The creative and cultural industries are an increasingly important growth sector within the Blackwater Valley. A strong focus within the sector has emerged in and around Farnham, driven by the activities of the Surrey Institute of Art and Design – University College which is located there. The Institute has expanded its activities into a range of overseas work and EU funded activity, and initiatives to provide hatchery space for start-up creative businesses are being promoted.
- 3.35 Within the South East, creative industries represent a major growth sector, with almost 30% employment growth from 1995 – 2000 and with London and the South East accounting for half of its national employment.

Other Economic Growth Drivers

- 3.36 A number of other economic growth drivers can be identified:
- The SME (Small and Medium Sized Enterprises) sector is highly dynamic, with strong innovation and market diversification potential. The area has a relatively high rate of business start-up and survival;
 - The business services sector has seen relatively high levels of growth over the past 7 years. This sector accounted for 44% of all job growth within the area during this period;
 - There has been strong inward investment demand for HQ operations; these tend to start up relatively small then to expand to larger operations;
 - An emerging enterprise hub set up at Reading University will focus on environmental sciences and bio-technology.

LAND AND PROPERTY

The Housing Market

- 3.37 There are strong pressures for further residential development within the Blackwater Valley. The area is characterised by a high proportion of larger houses with detached houses accounting for 36% and semi-detached houses accounting for 27% of the total stock. The proportion of homes within the Study Area which is in private ownership is also above the national average, reflecting the high-earning characteristics of residents together with the locational advantages of living in the Blackwater Valley.
- 3.38 Not surprisingly average house prices within the Blackwater Valley are well above the national average. The average house price within districts of the Blackwater Valley is £200,000 with the more expensive properties to be found within the districts of Hart, Guildford, Surrey Heath, Waverley and Wokingham. House prices are lower within the Boroughs of Bracknell and Rushmoor.
- 3.39 Based on average wages, owning a home is still beyond the reach of many single persons or families. In many parts of the Study Area an underlying and sizeable minority of households are on very low incomes and are unable to enter the private sector housing market.
- 3.40 There is anecdotal evidence that there are significant numbers of hidden households within the Blackwater Valley as grown-up children are unable to afford to leave the

family home. The problem is compounded by the mismatch of generally large, detached houses to the requirements of those on low incomes.

Affordable Housing

- 3.41 The provision of adequate affordable housing in the Blackwater Valley has been identified by major employers as the key to providing an adequate labour supply within the Study Area. Appendix 4 provides a position statement in relation to the issue of affordable housing in the Blackwater Valley while Appendix 5 provides a commentary on housing need in the area.
- 3.42 Emerging policies which take account of the latest central government guidance outlined in Planning Policy Guidance Note 3 (PPG3) set targets for affordable housing including housing for key workers. However, policies acknowledge that the targets are aspirational and would depend for delivery on major policy changes by Central Government and other agencies.

Planned Housing Developments

- 3.43 All local authorities within the Blackwater Valley are seeking to address housing supply issues through encouraging smaller units of accommodation via the planning process. The shortage of available housing is particularly affecting key workers in the public services and there is anecdotal evidence of staff travelling long distances to work in the Blackwater Valley because they are unable to afford housing within the area.
- 3.44 In line with sustainability and urban renaissance principles, Local Authorities have set targets for the amount of new housing development to be undertaken on previously developed land. In the case of Surrey, the Structure Plan (Deposit Draft) sets a target of at least 80%.
- 3.45 With a high proportion of larger houses and detached houses in the Blackwater Valley the current average density of housing development is 22 dwellings per hectare (dph) in Surrey and 17 dph in Waverley. In 2001 the overall density of residential development in England was 25 dph. In the South East the average for 1997-2001 was 23 dph. The Surrey Structure Plan (Deposit Draft) requires residential development to achieve a density of at least 30 dwellings per hectare (net) and 50 dwellings per hectare (net) in locations with good links to public transport and in district and town centres. This reflects Government guidance contained in PPG3, RPG9 and Office of the Deputy Prime Minister (ODPM) Circular 01/02.
- 3.46 Current housing allocations for the Local Authorities covering the Blackwater Valley are set out in Table 3.5.

Table 3.5 – Housing Allocations (Whole District/Borough)

District/Borough	1996-2011	2001-2016
Hart	4750 (6250 including reserved land)	
Rushmoor	2980	
Bracknell		7270
Wokingham		8110
Guildford		2350
Surrey Heath		1970
Waverley		1850

Source: Hampshire County Structure Plan 1996-2011 (Deposit Draft)/Berkshire Structure Plan 2001-2016 (Deposit Draft) Surrey Structure Plan (Deposit Draft)

- 3.47 In Rushmoor 1,615 of the 2,980 dwellings allocated in the Local Plan have been completed and all remaining major development sites allocated in the Plan are on previously developed sites. The most significant potential housing area comprises land to be released as part of Project Connaught in Aldershot which could accommodate over 2,000 new dwellings.
- 3.48 In Hart District 1,700 dwellings are planned at Elvetham Heath with 470 of these to be built after 2006. Among unallocated sites with development potential is the Defence Establishment Research Agency (DERA) estate where 100 units could be accommodated.
- 3.49 Surrey Heath Local Plan identifies some small land areas for residential redevelopment mainly within Camberley. The largest site is Alma/Dettingen Barracks in Deepcut, where 290 dwellings are planned. All other identified sites within the Study Area in Surrey Heath would accommodate less than 50 units.
- 3.50 No significant development sites are proposed within Guildford Borough, Bracknell Forest Borough or Waverley Borough within the Study Area but in Wokingham a site for at least 70 dwellings is identified in North Pinewood for potential development after 2006.

Urban Capacity

- 3.51 Urban housing capacity studies have been completed by Surrey County Council, Rushmoor Borough Council, Hart District Council and the Berkshire Unitary Authorities in accordance with the requirements of PPG3 and reflected in RPG9. The Berkshire Urban Potential Study provides relevant information in respect of the

Unitary Authorities within Berkshire. Urban Capacity Studies form an important part of the 'plan, monitor, and manage' approach to housing provision.

- 3.52 The Surrey Housing Capacity Study estimates housing capacity within the County based on existing levels of development and capacities recommended by Central Government Guidance. The overall discounted capacity for the County, as estimated by the Study, is 29,201 dwellings between 2001-2016. This figure is not, however, the result of a detailed design-led exercise and the opportunity for achieving increased densities has not been assessed.
- 3.53 The Berkshire Study identifies a total constrained potential from previously developed sites of between 2,300 and 3,400 in Wokingham District for the period 2000-2011 and 2,000 and 3,200 for Bracknell Forest. Wokingham District Council published an Urban Capacity Study in late 2002. This identified a capacity for 620 dwellings on previously developed land within all the District's settlements between 2002 and 2006.
- 3.54 The Rushmoor Borough Council Draft Urban Capacity Study uses a base date of April 2001 and attempts to quantify potential housing supply for five year periods from April 1991 to March 2016. The study was updated in October 2002. Provision is based on the requirements in the Hampshire County Structure Plan Review which was adopted prior to the publication of RPG 9, in 2001. The study focuses on residential development within the settlements of Aldershot and Farnborough and identifies a significantly greater potential for future housing to be developed on previously developed land than the adopted Structure and Local Plans. For the period 1996-2011 housing capacity is estimated at 4,570 dwellings, about 1,600 in excess of the Structure Plan requirements. This is primarily due to an assumed 1,000 dwellings through Project Connaught and 475 dwellings through development of the Boots Depot, Aldershot. For the period 2011-2016 housing capacity is estimated at 1,360, the majority to be achieved through Project Connaught.
- 3.55 The Urban Capacity Study for Hart District, published in 2002, identifies a total output of 1,306 dwellings between 2001 and 2016 for the whole of the District. The requirement of the study was to identify the capacity for further development in the towns of Fleet, Yateley, Blackwater and thirteen villages, two of which are located in the Blackwater Valley. The study estimates a yield of 1,306 dwellings between 2001 and 2016.
- 3.56 Appendix 6 provides further details of the background to urban capacity studies.

Commercial Property

- 3.57 According to local property agents, since 1996 there has been a change in commercial property demand in the Study Area. Around 1996 the demand for office space, particularly large scale requirements, was strong, and there were many permissions granted for change of use from industrial to office use. This demand, fuelled mostly by the telecom sector, has since collapsed. The demand for office space in the Blackwater Valley is currently low and recently completed speculative office developments remain vacant. There is evidence of a significant over supply, which is common throughout the South East.
- 3.58 Demand is still relatively strong from light manufacturing industry, but there is an outward migration of traditional industries. There is also a severe shortage of industrial space as there is throughout the neighbouring Thames Valley and surrounding areas.
- 3.59 Interviews with commercial property agents carried out as part of the Study have revealed that there is a perceived need for high-tech production space, with warehousing and offices combined. However, in the long term, it is considered that there will be an increase in demand for industrial premises and a reduction in available office space.
- 3.60 The reliance on high-tech development and the failure to diversify and attract substantial office developments, call centres, headquarters buildings and financial services are seen as particular threats to the area.

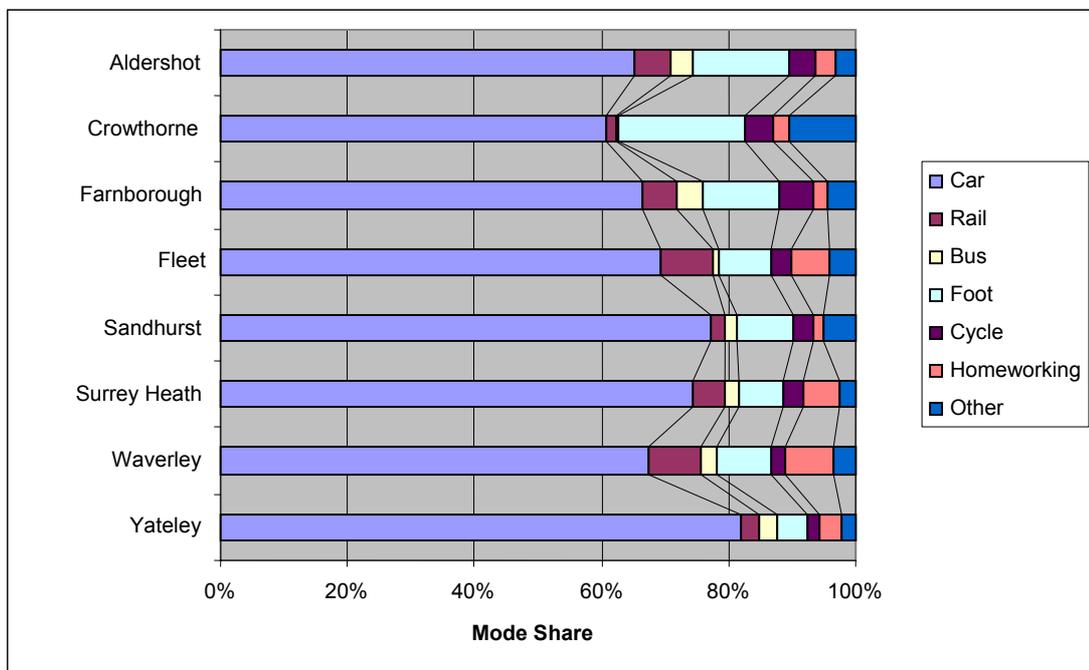
TRANSPORTATION

- 3.61 At present the Blackwater Valley experiences a number of transport related problems, including:
- Delays in moving goods and people;
 - Reduced workforce flexibility associated with difficulties in commuting;
 - Difficulties in customer and supplier access; and
 - The risk of unacceptable traffic and associated impacts if economic growth is encouraged.
- 3.62 Left unchecked it is likely that the difficulties associated with transport infrastructure shortcomings and high volumes of road traffic will act as constraints on the Study Area's economic growth potential.

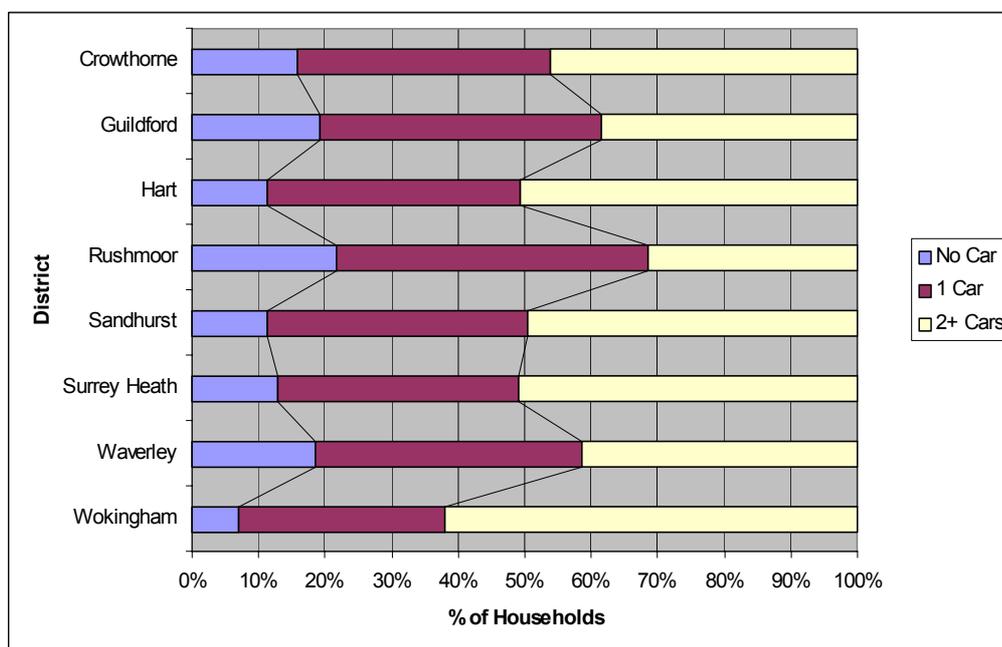
Demand for Travel in the Blackwater Valley

- 3.63 The Blackwater Valley is characterised as an area with a highly complex pattern of travel demands between the range of small and medium-sized towns and into and out of the area. Outbound commuting is particularly common not only to London, but also to Woking, Reading and Guildford.
- 3.64 Demand from both people and goods shows a heavy reliance on road-based modes (Figure 3.2) and in the last 10 years, annual traffic increases have averaged between 1% and 1.5%.

Figure 3.2 – Mode Share for Travel to Work for Blackwater Valley Districts



Source: Thames Valley Multi Modal Study

Figure 3.3 - Car Ownership for Selected Blackwater Valley Districts

Source: Thames Valley Multi Modal Study

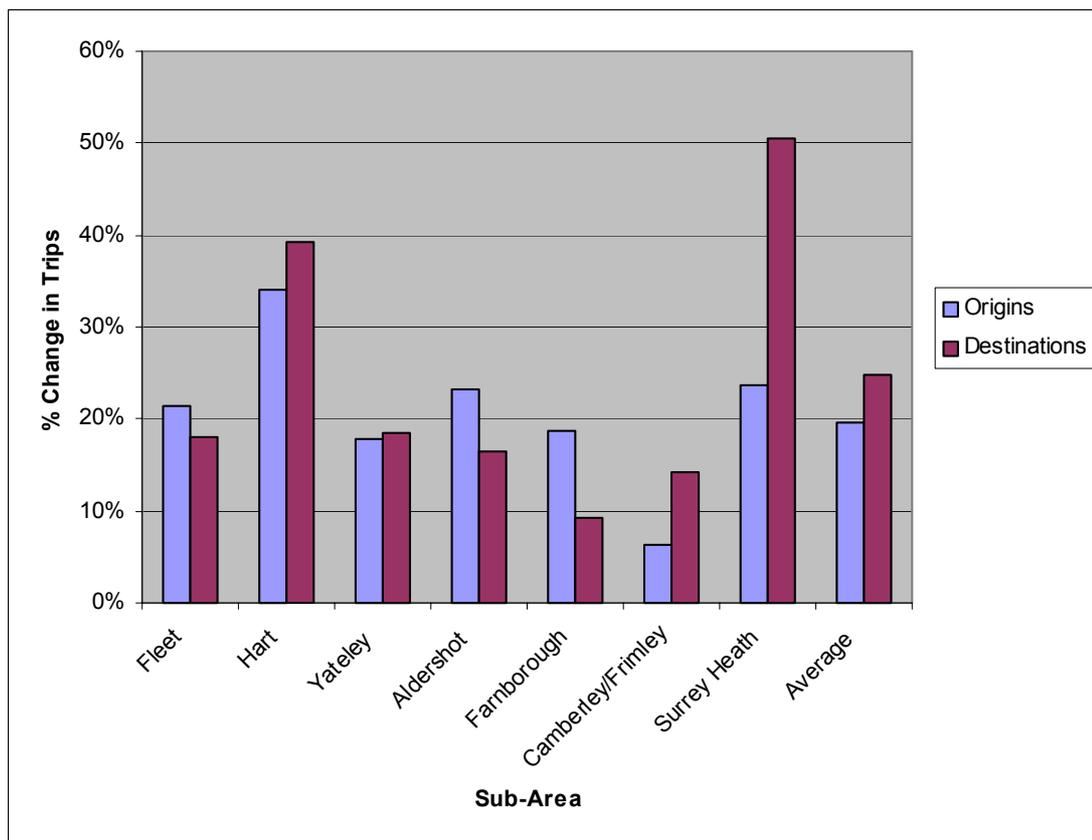
3.65 The scale of road-based demand is such that, particularly during the morning and evening peak periods, demand for road space is at, or exceeds, available road capacity. This results in rising congestion, raised emissions and increasingly unreliable journey times which impact not only on private motorists, but freight operators and public transport providers.

3.66 Work carried out by Steer Davies Gleave for the Blackwater Valley Mass Transit Study (2002) shows that across the Study Area:

- There are around 700,000 daily person trips by car with the busiest corridors being:
 - North Camp-Farnborough;
 - Frimley-Camberley;
 - Frimley-Farnborough;
 - North Camp-Aldershot;
- There are around 18,000 daily trips by bus with concentrations of demand around Aldershot, Camberley and Farnborough; and
- There are around 40,000 daily trips by rail, with the vast majority of these being to and from London, Guildford and other external centres rather than local journeys.

3.67 Forecasts from the Thames Valley Multi-Modal Study (TVMMS) suggest that demand for travel and roads has the potential to increase substantially between 2001 and 2016. As an illustration Figure 3.4 shows the unconstrained growth in car trip origins and destinations within the Blackwater Valley for the morning peak period.

Figure 3.4 - Growth in Car Trip Origins and Destinations for Blackwater Valley - Sub-Areas 2001-2016



Source: Thames Valley Multi Modal Study

Highway Network

3.68 The Blackwater Valley benefits from good road links to London, Heathrow and Gatwick Airports and the wider South East (Figure 3.5). The majority of highway routes in the Study Area are single-carriageway, all-purpose roads following long-established rights of way, often with a poorly defined hierarchy in terms of design standards.

Figure 3.5 - Strategic Highway Network

- 3.69 The main strategic east-west routes within the area are the M3 motorway through Camberley in the north and the A31 around Farnham and along the Hogs Back in the south.
- 3.70 Within the Study Area, the A331 Blackwater Valley Route, opened in 1996, provides the main north-south spine, connecting the east-west routes and offers considerable relief to the areas through which it passes. The A325 parallels the A331, providing a bypass for Frimley and serving Farnborough Town Centre.

Rail Network

- 3.71 The Blackwater Valley has a reasonably extensive rail network connecting to London, Basingstoke, Guildford and Reading with reasonably fast, frequent and well patronised services (Figure 3.6) as follows:
- The Waterloo-Southampton-Exeter Line (South West Trains) runs east-west across the central part of the Blackwater Valley via Farnborough;
 - The Alton-Waterloo Line (South West Trains) serves Farnham, Aldershot and Ash Vale providing services to and from Woking and London.
 - The Aldershot-Ascot Line (South West Trains) runs north-south through the Blackwater Valley with stations at Ash Vale, Frimley, Camberley and Bagshot. At Ascot, there are connections to Bracknell and Wokingham on the London-Reading Line;
 - The North Downs (Reading-Gatwick) (Thames Trains) Line runs south-east to north-west through the Blackwater Valley with stations at Ash, North Camp, Farnborough North, Blackwater, Sandhurst, Crowthorne and Wokingham.
- 3.72 These lines are poorly integrated and serve largely long-distance trips to and from the Blackwater Valley rather than local journeys between the main towns. The network has largely failed to adapt to the changes in land use in the area since the 1960s and, therefore, its role in serving a local public transport need is limited. The poor parking facilities at stations on the North Downs Line and their isolation from feeder public transport routes to main centres are current contributing factors to their lack of use as commuter stations within the Blackwater Valley.
- 3.73 Station locations vary in the convenience of access which they provide to adjacent residential areas and town centres. Some, such as Aldershot, Farnham, Camberley and Bracknell are well-located for their respective centres whilst others, such as Fleet, are more remote. It is also noted that many newer residential areas close to railway lines are relatively poorly served due to the location and spacing of stations.

Figure 3.6 - Rail Network

- 3.74 There have been a number of proposals to improve the potential of the rail network, through the Blackwater Valley Integrated Transport Study (BVITS). The overall recommendation of BVITS was that a bus-based strategy, with priority measures, increased frequencies and hours of operation, new routes and integration with rail services would offer an effective, flexible and economic approach to enhancing local connections at this stage.
- 3.75 Long term possibilities for the rail network include:
- Linking the North Downs Line and the Aldersot-Ascot Line where the lines cross near Ash Vale;
 - Improving the north-south links between Bracknell and Farnborough and Camberley and Farnborough;
 - Improving east-west links between Fleet, Farnborough and Aldershot; and
 - Upgrading the North Downs Line as part of creating a wider orbital rail network outside the M25, as set out in the Draft Regional Transport Strategy.
- 3.76 None of these proposals are yet committed or have funding in place.

Bus Network

- 3.77 The bus network in the Study Area is reasonably comprehensive and stable and comprises a combination of local and longer distance inter-urban services. Most operate on hourly or half-hourly frequencies, although some services operate a higher level of frequency. Some inter-urban routes have declined markedly in recent years and many journeys can only be made by making connections in town centres. For example, the Farnborough-Aldershot route, has reduced to an hourly service from ten per hour a few years ago.
- 3.78 The Blackwater Valley Link (Route 1 Aldershot-Camberley-Yateley) has recently been designated as a Quality Bus Partnership and the relevant Local Authorities have set out a staged programme of priority measures and improvements through their Local Transport Plans.
- 3.79 As noted above, BVITS recommended enhancing the bus network as the main instrument of upgrading the local public transport system. Potential corridors for improvement include:
- Farnborough-Camberley;

- Aldershot-North Camp-Farnborough;
 - Fleet-Farnborough;
 - Farnborough and Camberley Town Centres and Blackwater Rail Station.
- 3.80 According to BVITS the current bus network is based on what the market will support commercially, and is not well configured to accommodate the increasing demand for movement as the Study Area continues to grow.

Blackwater Valley Mass Transit

- 3.81 Following BVITS the Blackwater Valley Network has considered the feasibility of developing a high-quality Blackwater Valley Mass Transit System to provide a step-change in public transport provision and support development aspirations for the area. The study considered the overall feasibility of such proposals for converting some rail corridors to light rail, guided bus and on-street tram. However, at estimated costs of between £60M and £280M, the study found that the economic case for any of the tested options did not meet the current Government requirements for economic viability. The study concluded that a significantly greater patronage would be required to justify the scheme's implementation.
- 3.82 Nevertheless, the study concluded that an incremental approach to the introduction of a mass transit system represents the most effective way forward. Thus, in the short term, the Blackwater Valley Link (Quality Bus Partnership Route 1) is expected to be completed. In the medium term the link would be extended to Bracknell and, in the long term, it would be transformed into a mass transit corridor with the possibility of its eventual conversion to guided bus or light rail.

The Thames Valley Multi-Modal Study

- 3.83 The Thames Valley Multi-Modal Study aims to develop an integrated transport and land use strategy covering the area from Reading to Heathrow and from High Wycombe to Basingstoke. The strategy is based on the principles of improved public transport, travel management measures and improved management of road space. Measures proposed as part of better travel management include changes to land use planning policies and the promotion of travel plans. Improvements to public transport are based on the implementation of a multi-modal 'hub and spoke' system. Amongst the major hub sites proposed is Farnborough, where the relocation of Farnborough North Station is proposed to provide an interchange between the North Downs and Waterloo-Southampton lines. This is included in Phase 3 of the rail proposals (post 2012) and is seen as supporting sustainable development.

Local Transport Plans

- 3.84 The Blackwater Valley is covered by Local Transport Plans (LTP) for four authorities – Hampshire (North East Hampshire Transport Strategy, NEHTS), Surrey, Bracknell Forest and Wokingham. These LTPs, covering the period 2001 to 2006, include policies¹ to promote the principles of sustainable development. Overall the aim is to balance the needs of the economy, the environment and accessibility by the better integration of transport policy and proposals with land use planning.

ENVIRONMENT

- 3.85 The urban areas of the Blackwater Valley are set in a predominantly rural setting, comprising undulating rural landscape. Three rivers run through the Sub-Region: the Blackwater, Loddon and Wey. The 'Urban and Landscape Character Analysis' produced on behalf of the Blackwater Valley Authorities describes the landscape beyond the riparian valleys as: *'predominantly a combination of grassland paddocks, farmland, mixed woodland, remnants of wooded heath and heathland'* (para 10.3).
- 3.86 The environmental quality of the area is recognised in the extent of planning, landscape, nature conservation and cultural heritage designations of national importance affecting substantial parts of the Study Area (Figure 3.7). These include:
- Over 400 ha of land designated as Area of Outstanding Natural Beauty (AONB);
 - 610 ha of land (including parts of the AONB) designated as Green Belt;
 - 26 Sites of Special Scientific Interest wholly or partly in the Blackwater Valley;
 - One Area of Great Landscape Value;
 - 34 Scheduled Ancient Monuments;
 - One National Nature Reserve; and
 - Over 350 Sites of Importance for Nature Conservation designated in Local Plans.
- 3.87 The Thames Basin which encompasses the Blackwater Valley has been identified as being of particular environmental value for birds, a fact recognised by its designation as the Thames Basin Heath Proposed Special Protection Area.

¹ Concord Agreement for Joint Action to Promote a Sustainable Transport Strategy. Blackwater Valley Network.

Figure 3.7 - Environmental Designations

- 3.88 The particular physical characteristics of the Blackwater Valley have led to a significant presence of gravel workings and artificial lakes within river corridors. Beyond these areas there are substantial swathes of commercial forestry. Such qualities offer opportunities for countryside recreation, particularly in the Wey and Hart river corridors. In addition the Basingstoke Canal, which has a high nature conservation value, (parts of which are designated as an SSSI), is an important recreational resource.
- 3.89 The historical past of the Blackwater Valley is evidenced through the designation of a number of historic parks and gardens and the existence of a number of linear historical rides. Significant areas of archaeological value are also present throughout the Study Area.
- 3.90 There is a strong military presence in the Blackwater Valley which has a significant effect upon the landscape of the area. Sandhurst, for example, is home to the Royal Military Academy, the Army's principal base for Officer training. Farnborough has long-standing connections with developments in aviation and Aldershot has its own Military Town. The military presence throughout the area is also expressed through the fences, barriers, military control points and restricted access to open land. (Figure 2.4 shows MOD operational land in and around the Study Area).
- 3.91 Around the periphery of urban areas housing, retail and employment activities have impinged upon landscape character areas, harming the integrity of individual settlements. Consequently, 'strategic gaps' (see Figure 3.8) have particular importance in ensuring that existing settlements maintain their diversity and are in place to prevent distinct urban areas from merging. For example, the Blackwater Valley acts as a strategic gap between Aldershot and Yateley and the settlements of Frimley, Mychett, Ash Vale and Badshot Lea while the Fleet and Aldershot/Yateley gap is also significant.
- 3.92 Urban intrusion into the rural environment of the Blackwater Valley is also particularly pronounced as a result of road and railway corridors which provide for movement through the Valley.

Figure 3.8 - Strategic Gaps

OUTDOOR LEISURE

- 3.93 The framework for the development of a landscape and recreational strategy for the Blackwater Valley was initially established when the 'Blackwater River Valley Restoration and Recreation Study' was published in 1971 by Berkshire, Hampshire and Surrey County Councils. This was supplemented by a further joint study, the 'Blackwater Valley Joint Landscape Study' published in 1976. Both of these studies identified the need to improve the environment of the Blackwater Valley, improve public access and provide recreation and leisure facilities, particularly after the completion of gravel extraction. More recently, the Blackwater Valley Strategy 1993-1998 builds on the 1987 Recreation Strategy with a particular focus on nature conservation and environmental enhancement.
- 3.94 The Blackwater Valley Recreation and Countryside Management Service is working to preserve the Valley as an open gap and promote information on recreation and sport in accordance with The Blackwater Valley Strategy. A riverside public footpath is proposed for the length of the Valley, as part of a strategic route linking the Thames Path in the north to the North Downs Way to the south.

OTHER SUPPORTING INFRASTRUCTURE

- 3.95 Consultation with major service providers during the course of this Study has resulted in a very limited response. Since the provision of utilities could constrain options for sustainable growth it is recommended that further, more focused consultation with service providers is carried out as a follow-up to this Study. Key areas which will need to be addressed include the water supply network, water quality and flood risk. An initial assessment of the flood plains in the vicinity of the Study Area is provided in Figure 3.9.
- 3.96 Guidance set out in PPG25 indicates that, outside developed areas, flood plains are generally not suitable for residential, commercial and industrial development. Co-ordination between the Environment Agency, local authorities, landowners and developers will be needed to ensure that plans evolve having due regard to flood risk.

Figure 3.9 - Floodplains

SUMMARY

3.97 The baseline assessment of the Blackwater Valley demonstrates the following key characteristics of the Study Area:

- The area has a population of over 300,000 with the five largest towns – Aldershot, Camberley, Farnborough, Farnham and Fleet – having populations of between 30,000 and 52,000. Consequently no single centre dominates the area;
- The labour market is characterised by employment in higher paid knowledge based occupations particularly in the aerospace, defence, high-tech and telecommunications sectors;
- The housing market is dominated by expensive larger homes yet there is a significant demand for smaller and affordable homes;
- The commercial property sector is characterised by a weak demand for offices (with a consequent oversupply) and a strong demand for light industrial space;
- There is a highly complex pattern of travel movements both within the area and to surrounding areas and levels of commuting both into and out of the area are high. The Study Area experiences problems associated with transport infrastructure shortcomings and high volumes of road traffic;
- Car ownership and usage are high and public transport usage is low apart from by those commuting to and from London;
- The environmental quality of the rural area is high as demonstrated by the extent of planning, landscape, nature conservation and cultural heritage designations of national significance.

4. SWOT ANALYSIS

4.1 In this Section the findings of the assessment set out in Section 3, on the key characteristics of the Blackwater Valley are distilled into a SWOT analysis highlighting the strengths, weaknesses, opportunities and threats associated with the Study Area (see Table 4.1). An initial SWOT analysis was set out in earlier Study reports and was tested with stakeholders at the Strategic Development Workshop and Members Steering Group.

KEY FINDINGS

4.2 The strengths of the Blackwater Valley include its vibrant high value-added economy, its high quality rural environment and good strategic transport links. However, local transport is seen as a weakness because of the poor integration of the local rail network, the high level of commuting and dispersed travel patterns created by the lack of a single focal point in the Blackwater Valley.

4.3 Other weaknesses include the shortage of sites arising from the restrictive planning policies which prevent the expansion of business and the fragmented approach to decision-making, given the multitude of agencies and Local Authorities in the area.

4.4 There are significant opportunities for economic growth; and increases in population and employment would provide the possibility of more effective integrated public transport focusing on development opportunities in town centres. These opportunities would be further enhanced by building on a single centre for higher order town centre functions rather than spreading facilities among several centres.

4.5 The main threats to the Blackwater Valley are seen in terms of an overheating economy, unbalanced housing market and continued car dependency.

Table 4.1 – SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Vibrant local economy with low levels of unemployment • Concentration of wealth and high value added economy • Nucleus for high technology research and development • Cluster of aerospace and high technology industries including multinationals • The Blackwater Valley is viewed by businesses as a good place to be located • Good access to international markets • Highly skilled professional/managerial workforce • High quality education • Good quality housing stock • A high quality rural environment as demonstrated by the widespread application of international and national policy designations • Low levels of deprivation • Generally good strategic road connections to south coast, London and wider south east and airports • A331 provides high-quality north-south spine for traffic whilst M3/A31 provides links east and west • Strategic rail services to London, Basingstoke, Reading and Guildford are fast, frequent and popular • Established co-ordination role of Blackwater Valley Network in support of continued development with links to business community 	<ul style="list-style-type: none"> • Lack of training opportunities within the Study Area • Labour shortages, particularly at medium and low skill levels • Restrictive planning policies / lack of sites limits business expansion • Many dormitory areas with few facilities apart from housing • Unco-ordinated business support service • High level of dependence on private sector investment • Dependence on economies of adjoining areas including London • Shortage of medium sized firms due to lack of accommodation • A lack of low cost small dwellings to meet the broad range of housing needs • High cost of housing encourages essential workers to live at greater distance from their workplace, adding to transport problems • A multitude of dispersed travel demands is created by the lack of a single focal point within the Blackwater Valley • Public transport for local trips is unattractive in terms of frequency, operation and coverage • Poor local integration of the rail network which does not match the evolution of recent development patterns • Limited capacity for additional services and stations on key parts of the rail network • Fragmentation of policy, decision-making and investment among a multitude of local authorities and agencies

Table 4.1 – SWOT Analysis (continued)

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Range of settlement size and location • Consolidation of ICT industries • Potential to develop existing skills base and business networks to promote cluster development • Development of business aviation sector at Farnborough • Recognition of sub-regional importance of Blackwater Valley within RPG9 (South East) • This Study provides an opportunity to create a strategy and catalyst for addressing problems and agreeing a vision • Expansion of University of Surrey and HE colleges provides training opportunities and catalyst for growth • Relatively high proportion of high-tech companies with potential to introduce flexible working practices • A single centre for higher order town centre functions would secure better facilities than if they were shared among several centres • Increase in population and employment could provide firmer economic justification for public transport services • Development opportunities for key public transport hubs in town centres • Potential to create enhanced recreational opportunities along the river valley thereby enhancing the attractiveness of the area • Redevelopment of brownfield sites and MOD sites offer potential for showcases of sustainable development • Potential to improve rail-bus integration and spare capacity for bus priority • Mass Transit Studies provide opportunities for a step change in public transport provision • Planned direct rail link to Heathrow 	<ul style="list-style-type: none"> • International, national and local designations which safeguard land from development • Lack of smaller low cost housing • Continued growth in traffic volumes and congestion • Dependence on ICT, service and defence related industries • Consolidation of existing businesses • Concerns that labour market may become overheated • Employers relocate due to labour supply restrictions. • Other areas may become more attractive to large businesses if labour supply is restricted in the Blackwater Valley • High continued degree of car dependency (and resistance to demand management) amongst residents and employees • High proportion of private non-residential parking within town centres and employment sites • Commercial objectives of public transport operators on non-sustainable routes • Policy objective differences between Blackwater Valley Network authorities • Shortage of public sector staff and skills in delivering services • Public opposition to new development • Impact of development on the quality of the environment

5. DEVELOPMENT ISSUES

INTRODUCTION

- 5.1 Building on the baseline assessment set out in Section 3 and the SWOT analysis described in Section 4 it is possible to identify the key issues which will be relevant to the future development of the Blackwater Valley. These are discussed in this Section.

NEEDS, POTENTIAL AND CONSTRAINTS

- 5.2 For many years the Blackwater Valley, like much of the South East, has been subject to planning policies which limit the expansion of urban areas and maintain the high quality rural environments which surround them. Such a heavily constrained land supply encourages a more intensive use of land within urban areas for both residential and employment uses, in line with current Government policy. Nevertheless, at some point, intensification could become town cramming and the release of greenfield land may be necessary.
- 5.3 Furthermore, because the Blackwater Valley has never been a centre for heavy manufacturing, like many parts of the South East outside London, the limited availability of unconstrained brownfield sites for development deprives the Blackwater Valley of a ready supply of urban land which may become available for development.
- 5.4 Nevertheless, the Blackwater Valley is characterised by large MOD landholdings which, particularly through the release of land at Farnborough Airfield and through Project Connaught in Aldershot, offer potential showcases of high quality sustainable development. Whether there is scope for further MOD land to become surplus and available to accommodate growth in the future remains to be seen. There are no indications at present of any further large planned releases beyond that which forms part of Project Connaught.
- 5.5 At the heart of the debate about future development in the Blackwater Valley is the issue of balance – between growth which responds to the key drivers of change and

the further development of the knowledge based economy and sustainable forms of development.

- 5.6 Consultation with stakeholders has led to the suggestion that the Blackwater Valley lacks a coherent vision which leads to the duplication of resources, rivalry, and a lack of a coherent plan to optimise future development opportunities in the area. Allied to this concern is the call for a single voice to present the case for the Blackwater Valley, which comes from a number of businesses interviewed as part of the Study.
- 5.7 Because of a lack of a dominant town centre within the Study Area and the dominance of a number of centres outside the Study Area for higher order functions, including employment, leisure and shopping, residents of the Blackwater Valley undertake extensive travel both within and outside the Study Area. Whether a single higher order town centre should provide a focal point for improved retail and other services or whether existing centres in the area should continue to compete with one another is a fundamental issue to be addressed.

ECONOMY AND EMPLOYMENT

Business Retention Issues

- 5.8 Business retention is becoming a key area of concern for the Blackwater Valley as it has been recognised that the area has limited scope to attract major inward investment. Should one or more of the major aerospace or defence employers leave the area, this could have a serious knock-on effect on the current strength of the local economy.
- 5.9 The most important conditions to be met for businesses to remain within the area are the continued ability to attract staff, stable operating costs, better transport and reduced road congestion. These constraints are clearly evident within the Blackwater Valley as well as at wider level, and pose a potentially major threat to the employment base of the Study Area.
- 5.10 Evidence of the threat of outward movement from the Blackwater Valley is provided by the number of outward relocation decisions recently made including The Met Office, Turner & Newell, Panasonic GSM and Thorn EMI. In parallel with these moves, the economic partnerships have reported a regular pattern of companies reviewing their location options, either because of the effects of growth or the need to review business operations in line with changing global economic conditions.

The Role of Emerging Industries

- 5.11 There is a strong case for supporting emerging industries with potential for development in the Blackwater Valley, where these can build on inherent advantages within the area, and contribute to economic diversification. A number of opportunities could be considered covering the creative and media industries, advanced engineering, financial and business services and environmental industries some of which could take advantage of the extensive under-utilisation of office space in the Study Area. Expanding new industries would reduce the current dependence on the aerospace and defence cluster should the presence of the latter weaken.

Balance in the Local Economy

- 5.12 There is evidence of a two tier economy within the Blackwater Valley made up of high technology, high growth and high income generation activities on the one hand and lower value, lower income generation service activities on the other. Public sector services, together with other key retailing, leisure and town centre employment activities which are key to a sustainable economy, are suffering staff retention and recruitment problems as a result of the high costs of housing and transport difficulties within the area. Sustaining these key service activities needs to be balanced against the growth stimulated by high technology activities.

Employment Development Issues

- 5.13 A number of employment development issues, relating to overall skills shortages, need to be addressed:
- Opportunities to tap into under-utilised parts of the labour market, such as the economically inactive, need to be exploited;
 - Colleges and other training bodies must provide high quality resources in rapid response to employer needs;
 - Employers need to provide flexible approaches to the take-up of training and encouragement for the continuation of training;
 - Basic skills need to be upgraded widely amongst the workforce;
 - Measures to improve the productivity and utilisation of the workforce through targeted skills training need to be fully developed; and
 - Measures to facilitate the take-up of learning and self-advancement need to be fully developed.

Commercial Development Issues

- 5.14 A number of successful industrial estates in the Blackwater Valley, such as Yorktown in Surrey Heath, have seen a pattern of redevelopment and modernisation to upgrade employment areas and provide higher density development. Whilst higher density development is in line with principles of sustainability and the evolving knowledge based economy it also has the effect of driving out some of the more traditional industries. A number of local companies have succeeded in adapting and expanding by making better use of existing sites.
- 5.15 A widely held view among commercial agents and major employers is that opportunities for business expansion and the ability to accommodate significant additional levels of inward investment are constrained due to the lack of new sites, coupled with the presumption against developing on environmentally sensitive areas.
- 5.16 The long term preservation of the pool of knowledge which has been established in Blackwater Valley businesses may also require the identification of alternative locations outside of, but closely accessible to, the Blackwater Valley in order to accommodate business growth.

HOUSING

- 5.17 The high cost of housing in the Blackwater Valley affects the ability of businesses to attract staff. A major shortage of housing at reasonable prices results in those working within the area having to accept a major drop in their lifestyle quality in order to afford their own properties or alternatively to travel long distances to reach work. As a consequence the need for affordable housing is one of the most significant problems facing the Blackwater Valley. Unless this issue is tackled there is a likelihood that a lack of homes could frustrate those wishing to take up new employment opportunities or may force them to travel unsustainable distances to work.
- 5.18 While largely beyond the scope of local agencies, the need for new housing to meet changing requirements in terms of size, type, tenure and affordability will be crucial to the future success of the Blackwater Valley.
- 5.19 The housing stock is dominated by large family properties in private ownership with fewer small properties and a smaller supply in Local Authority or Registered Social Landlord (RSL) ownership than is found in other areas. This creates problems in terms of providing opportunities for the less well off to find suitable accommodation and leads to strain and imbalance within the housing market. There is a significant demand for smaller units which is currently not being met.

THE ENVIRONMENT

- 5.20 The Blackwater Valley is characterised by policies which place a strong emphasis on protecting the environment. This makes the Blackwater Valley an attractive place to locate for businesses and residents alike. But while the rural environment is an important asset to the Blackwater Valley it constrains development and the growth of urban areas. Therefore, a key issue for the future of the area relates to the balance to be struck between development and conservation and whether the release of greenfield sites for development is necessary or desirable in the context of other policy considerations.
- 5.21 While the development of greenfield sites conflicts with the protection of environmental assets, the planned release of less environmentally damaging sites could minimise such conflicts. Further, the release of greenfield sites would provide opportunities for planning gain which could assist in the creation of more sustainable settlements, served by enhanced public transport. In this respect the Blackwater Valley Network's assessment of character areas could provide the context for the release of suitable greenfield sites in the future.
- 5.22 Issues of drainage, flooding and water supply must not be overlooked in taking forward plans for the Study Area. Within the Blackwater Valley, water quality is relatively poor due to a low flow pattern. Therefore, the more intensive the level of development within the area, the more likely it is that the threshold of poor water quality will be crossed. In parallel, low flow could get worse with climate change, leading to more stringent water quality standards.

TRANSPORT

- 5.23 Travel to work in the Blackwater Valley is becoming increasingly difficult due to traffic congestion and inadequate public transport services. This is a particular concern for those companies drawing upon the wider regional labour catchment area in order to attract skilled staff. This suggests that measures to improve the accessibility of the wider regional labour market to the Blackwater Valley, and ease congestion within the Study Area, may be necessary to secure the long term economic prosperity of the area.
- 5.24 While the Blackwater Valley has good strategic road connections congestion is a significant problem particularly during peak hours and may ultimately undermine the competitive advantage of the area. However, the complex pattern of travel movements in the Blackwater Valley creates dispersed travel patterns and reduces demand for public transport.

- 5.25 The heavy reliance on the car associated with high car ownership levels and resistance to parking restraint policies among residents and employees means that there is limited usage of public transport which, in turn, has led to a reduction in services. For local trips, public transport is regarded as unattractive in terms of frequencies, hours of operations and coverage. Consequently, the growth in traffic volumes and congestion is expected to continue. As a result the economic health of the Blackwater Valley and the quality of life of residents is likely to suffer unless there is a significant change in transport provision and/or management.
- 5.26 Problems with the public transport network are compounded by the poor local integration of the rail network which does not match recent development patterns. Nevertheless there is some potential to improve bus-rail-integration and there is spare capacity for bus priority on some routes, both of which measures could enhance public transport usage. In the longer term the Blackwater Valley Mass Transit Study may offer significant opportunities for a step-change in public transport provision.
- 5.27 Among the main transport issues which need to be addressed in relation to the development of a sustainable development strategy for the Blackwater Valley are the following:
- Measures to bring about the integration of transport and land use planning so as to reduce the overall demand for travel;
 - Improvements in public transport to a standard which provides an attractive alternative to car use;
 - Measures to improve the integration within and between different transport modes;
 - Actions to focus development at locations served by, or having the potential for, good quality public transport;
 - A strategy to improve rail capacity in the short and long term; and
 - The promotion of walking and cycling for shorter distance trips.

OTHER SUPPORTING INFRASTRUCTURE

- 5.28 The capacity and requirement for education and health services needs to be addressed in identifying future growth patterns to ensure that social infrastructure keeps pace with housing development.
- 5.29 The development of a comprehensive broadband communications infrastructure, is regarded as a key element for economic development at both sub-regional and

regional level. The promotion of key infrastructure in association with the development of utility services within new commercial and residential developments will also need to be addressed.

SUMMARY

- 5.30 Among the key development issues which need to be addressed as part of the future planning of the Blackwater Valley is the question of balance – between growth which responds to the key drivers of change and the further development of the knowledge based economy and sustainable forms of development. The lack of a coherent vision for the area may result in the Blackwater Valley failing to optimise future economic growth.
- 5.31 Furthermore, the lack of a dominant town centre leads to extensive travel, both within and outside the Study Area, as people seek to meet a range of employment, leisure and shopping needs. The future role of town centres in the Blackwater Valley is, therefore, a fundamental issue to be addressed.
- 5.32 In terms of the local economy, issues to be addressed include business retention, support for emerging industries and the need for a balanced economy. Balance is also required in terms of housing – the lack of affordable housing and the lack of smaller housing units is a problem.
- 5.33 In environmental terms, the qualities which make the area attractive also constrain growth. Therefore, a further important issue is the balance between development and conservation and whether the release of greenfield sites is necessary or desirable in the context of other policy considerations.
- 5.34 Finally, the problems of road congestion and low public transport patronage need to be addressed because at present traffic congestion, lack of public transport integration and restricted services are seen as adversely affecting business and, therefore, the economic health of the Blackwater Valley.

6. TOWARDS A SUSTAINABLE FUTURE

6.1 This Section of the report considers what might be desirable characteristics of the Blackwater Valley over the next 20-30 years. It begins by considering the context for sustainable development which is provided by reference to national and regional planning guidance. It then sets out the outcomes which would signify a desirable sustainable future for the Blackwater Valley.

THE CONTEXT FOR SUSTAINABLE DEVELOPMENT

6.2 The key themes of sustainable development established at a national level are set out in the UK Strategy for Sustainable Development and Opportunities for Change, a consultation paper on a revised strategy. These documents seek to promote a policy framework for sustainable development within the UK which integrates social, economic and environmental goals. The four broad objectives are:

- Social progress which recognises the needs of everyone;
- Effective protection and enhancement of the environment;
- Prudent use of natural resources; and
- Maintenance of higher and stable levels of economic growth and employment.

These objectives recognise the need for a competitive economy but acknowledge that this should be achieved in a holistic manner, interrelating areas of employment, education, health and the economy to ensure that it is not achieved at the expense of the wider environment.

6.3 Given the pressure for economic growth and development within the Blackwater Valley area the guidance contained in PPG3 and PPG13 is particularly crucial in the formulation of a vision for the area. The core principles of this guidance are:

- The active management of development through the planning process to encourage sustainable travel patterns, including the use of public transport and discouraging the use of the private car;

- Focusing development in urban areas, at increased levels of density, near to public transport interchanges to reduce the need to travel and safeguard the environment;
- Concentrating additional housing development within urban areas, maximising the use of brownfield sites, whilst ensuring opportunity and choice to meet the needs of the wider community; and
- Promoting good quality design to achieve attractive and high quality environments which create a sense of community.

6.4 RPG9 also sets out a number of key themes which are integral to the promotion of sustainability and are fundamental to the establishment of development needs, constraints and opportunities, namely:

- Promoting urban renaissance and concentrating development;
- Fostering regeneration and economic competitiveness;
- Sustaining rural activities and communities;
- Promoting the efficient use of land;
- Integrating land use and transport; and
- Protecting and improving environmental assets.

DESIRED OUTCOMES FOR SUSTAINABLE DEVELOPMENT

6.5 Prior to assessing the strategic opportunities facing the Blackwater Valley and the means of realising them, it is necessary to address the nature of outcomes which would signify a successful, sustainable development strategy for the Sub-Region in the long term. In assessing locations for sustainable development reference should be made to a range of desired outcomes as follows:

- **Preservation of high environmental quality for the area** – the protection of the environment and key environmental assets of local, regional and national significance;
- **Improvement to the quality of life** – enhancement of lifestyle quality, keeping the area attractive to local residents and skilled workers whilst preserving natural assets;
- **Preserving the area's key wealth generators** – assuring continued investment in the aerospace and defence sectors and in other important industries key to the local, national and regional economy;

- **Maintenance of high prosperity levels** – ensuring high levels of prosperity across the whole sub-region and sustainable economic success for the Blackwater Valley to the benefit of those living and working in the area;
 - **Meeting housing objectives** – satisfying all reasonable housing development needs through a planning system and a funding regime equipped to deliver what is required;
 - **Reduced congestion through public transport investment** – success in securing investment in high quality transport systems closely integrated with development and suitably configured to enable the required levels of demand to justify such investment;
 - **Reduced pressure on the labour market** – a workforce development programme which identifies and addresses the needs of employers through comprehensive education provision as well as the necessary infrastructure for delivery and the take-up of learning;
 - **Achievement of a balanced economy** – the creation of a balanced economy in which the high value, high knowledge based activities continue to enhance levels of wealth and prosperity, whilst the needs of support services are adequately resourced;
 - **Supporting infrastructure** – provision of all necessary supporting infrastructure to address the requirements of more intensive development and the maintenance of key support services.
- 6.6 No matter which approach to future growth is adopted, it is suggested that these outcomes would, to a greater or lesser degree, form the backbone of a sustainable long term development framework for the area.

SUMMARY

- 6.7 A sustainable future for the Blackwater Valley needs to be based on a policy framework which integrates social, economic and environmental goals. Guidance provided at national level, particularly through PPGs, provides core principles, while RPG9 sets out themes which are integral to the promotion of sustainability. Based on these principles and themes it is possible to establish a set of desirable outcomes for sustainable development in the Study Area. These outcomes provide the assessment criteria for considering the relative merits of economic growth scenarios for the Blackwater Valley.

7. STRATEGIC SCENARIOS FOR THE BLACKWATER VALLEY

INTRODUCTION

7.1 A key objective of the Study is to identify alternative strategic scenarios for the future sustainable development of the Blackwater Valley. Having regard to the development issues identified in Section 5, three possible policy led scenarios have been considered:

- Scenario 1 - Limited intervention;
- Scenario 2 - Active discouragement of growth; and
- Scenario 3 - Active adaptation to growth and change.

7.2 These scenarios are presented as three possible 'visions' of how the area might function in the future under different levels and types of policy intervention. In this section each scenario is described and its medium to long term consequences are evaluated. In addition predicted population and employment trends associated with each scenario are presented.

SCENARIO 1 – LIMITED INTERVENTION

Basis of the Scenario

7.3 The Limited Intervention scenario equates closely to 'Do Minimum', in that it assumes there would be no major change in planning and transportation policies. This scenario is characterised by continued internal growth and inward investment into the area, with public sector intervention confined to marginal improvements to operating conditions. There would be no proactive response to addressing development demand, housing shortages and transport congestion as this scenario is based on the premise that employment development opportunities should be regarded favourably. Furthermore, it would be based on an attitude which assumed that the economic benefits of growth would, in the main, outweigh possible adverse impacts on the labour market, housing, transport infrastructure and the environment.

- 7.4 It is assumed Local Authorities would continue to pursue useful initiatives, such as the development of green transport plans and incremental improvements to the road system through for example, traffic management and junction improvements to optimise capacity on existing routes. Development would continue to be market led, regulated only through the existing development control process. Significant development proposals would ultimately be decided through the planning appeal process, where such proposals were contentious, in contrast to a more proactive planning process. It is assumed that there would be a tendency to accept development pressures within existing urban areas, but with no proactive land assembly taking place other than that currently underway in Camberley and Farnham.
- 7.5 Local Authority policies would continue to provide for the protection of environmentally sensitive areas and significant development proposals on environmentally sensitive areas would be restricted.
- 7.6 Efforts would be made to address development pressures and their associated impacts in response to external factors and as development opportunities arose. This might include securing localised transport improvements and affordable housing provision through Section 106 Agreements on an opportunistic basis. This would be in contrast to an approach more orientated towards forward planning to meet such needs. Such an approach would tend to be based on piecemeal location specific improvements, as opposed to seeking and planning for a major step change in transport capacity and affordable housing.
- 7.7 Approaches to development would follow existing policy principles based on a tendency not to recognise the need or benefits of optimising the use of available land uses, given the limited resources available for this purpose. Interventions would tend to focus on matching the Blackwater Valley's rates of development in comparison with neighbouring areas.

Reasons for Considering this Scenario

- 7.8 This scenario has been selected for consideration for the following reasons:
- It provides a base scenario, emulating conditions which currently exist, whose impacts and implications can be extrapolated;
 - It can usefully highlight the consequences of a strategy based on no radical change in development policies and delivery approach.

Medium to Long Term Consequences of the Scenario

Positive Outcomes Anticipated

7.9 A number of positive outcomes can be anticipated from this scenario:

- There would be an increase in employment opportunities which would continue to widen the choice of job opportunities for local residents;
- This scenario would involve limited dependence on external funding. The scope of intervention would be small scale involving limited amounts of expenditure, or alternatively involve localised improvements cross-funded by individual developments;
- There would be continued scope for delivery in partnership, building on the existing work of the Blackwater Valley Network, though the scope of intervention would be significantly less than that associated with more radical change;
- It is anticipated that the rate of development in the Blackwater Valley would match that of the Thames Valley and the rest of Surrey to the north and east, matching their rates of land resource provision.

Adverse Consequences Anticipated

7.10 Under this scenario a number of adverse consequences can be anticipated:

- This approach would encourage economic diversification but this would not necessarily optimise the economic mix as the focus would tend to be general rather than high value development;
- Transport and other supporting infrastructure would not cope with increasing demand, and existing services would deteriorate as more intensive demand is made upon them in the absence of radical new investment;
- The problems of congestion and labour market overheating would remain and worsen, albeit subject to some relief during times of economic recession. The general implications would be that existing problems would be exacerbated by way of more intense skills shortages, higher operating costs, higher levels of road congestion, intensified demand for housing, yet sub-optimal use of employment land;
- Operating conditions for strategically important businesses would also deteriorate as movement of people and goods became more complex. This would increase operating and labour costs and make key industries less competitive. Eventually, one or more of the major employers may take the decision to leave the area.

- 7.11 This scenario would not contribute to the core aims of the Regional Economic Strategy, nor address any of the desired outcomes of sustainable development set out in RPG9 and related Government guidance as set out above.

Projected Population, Employment and Housing Trends

Population and Labour Force

- 7.12 Under this scenario it is assumed that the growth in population would equate to a 5% increase by 2007, with a similar trend extrapolated thereafter (see Table 7.1). It is assumed that the economic activity rates currently prevailing in the Blackwater Valley will continue into the future.

Employment

- 7.13 Under this scenario employment would continue to grow to the same trend as that projected in the TEMPRO 2002 forecasts until at least 2007. However, due to a continued exacerbation of congestion and labour market overheating, the loss of major employers in the aerospace and defence sector would be anticipated (estimated at about 6,500 jobs), coupled with the relocation of 50% of associated high technology supply industries, (estimated at about 6,350 jobs). It is assumed that this step change in employment in the wealth creating industries would take place over the period between 2007 and 2016. Thereafter, there would be a gradual recovery, with the growth of jobs in alternative sectors, many of which would be in lower grade industries.

Housing

- 7.14 The increase in population under this scenario would require an additional 30,000 housing units to be built in the Blackwater Valley up to 2031. This is based on the requirements of the additional population living in Blackwater and the overall fall in household size reflecting changing living patterns. The assumption on falling household size has been applied equally to each of the scenarios. This calculation has been completed without specific consideration to concealed households, second homes, sharing or vacancy rates due to the lack of baseline information at the study area level.

Table 7.1 – Population, Workforce, Employment and Housing Projections: Limited Intervention

Year	Population	Workers	Jobs	Net Outward Commuting	Cumulative Gross Additional Housing Requirement
2001	308,000	169,000	142,000	27,000	-
2007	314,000	173,000	153,000	20,000	9,000
2016	322,000	177,000	140,000	37,000	17,000
2031	337,000	185,000	154,000	31,000	30,000

Source : Consultants' Estimate

Delivery Implications

7.15 The Limited Intervention scenario would centre on a policy stance which would continue to encourage and allow higher growth levels without major adaptation of the area's operating conditions. It would be characterised by policies which encouraged the continuation of inward investment, coupled with continuing patterns of internal economic growth. This would be matched by planning policies which were reactive to demand, and with Local Authority intervention confined to making marginal improvements to operating conditions. There would be no step change in transport policy, nor would there be proactive measures to intensify development on available land.

SCENARIO 2 – ACTIVE DISCOURAGEMENT OF GROWTH

Basis of the Scenario

7.16 Under Scenario 2, the focus on public sector intervention would be to heavily restrain or prevent further development. Growth pressures would remain, but would not be fulfilled. There would be a marginal level of investment in transport infrastructure, confined to incremental improvements only.

7.17 Scenario 2 would be characterised by the following patterns:

- Very low rates of development of employment land would be approved; intensification of development would be discouraged on the grounds of its impact on existing infrastructure and the environment and more intense development on employment sites already occupied would also be discouraged;

- Low rates of housing development would be implemented, based only on projected rates of natural internal population growth and reducing household size;
- There would be no significant investment in transport infrastructure;
- There would be continued efforts to develop green transport programmes, and implement small scale programmes to provide traffic congestion to meet existing problems, (e.g., traffic management; improving the capacity of traffic systems, junction improvements and the general removal of bottlenecks);
- Strong protection of the environment and of landscape quality would be promoted, with considerable emphasis on minimising adverse impacts on environmentally sensitive areas;
- Strong support would be given to measures to improve the labour market and to improve the productivity of the workforce, through support to learning and higher skills development, and the promotion of the use of ICT and broadband.

Reasons for Considering this Scenario

- 7.18 The reason for selecting this scenario for consideration is that it depicts a realistic response to the approach currently adopted in neighbouring Thames Valley and the rest of Surrey. These areas are already intensively developed, and higher levels of development would be highly detrimental to their environmental quality. Hence policies of development restraint are pursued, in contrast to the less restrained approach described in Scenario 1.
- 7.19 As the Blackwater Valley lies adjacent, such an approach would be consistent with the planning and development control policies of many of these neighbouring areas.

Medium to Long Term Consequences of the Scenario

Positive Outcomes Anticipated

- 7.20 A number of positive outcomes can be anticipated from this scenario:
- The rate of growth of traffic congestion would be reduced, with the possibility that congestion levels could actually fall in some parts of the Sub-Region;
 - Current pressures on transport, supporting infrastructure and key support services might well, therefore, ease although, because the area's infrastructure would need to catch up with present levels of demand and congestion, any beneficial effects would only be felt in the medium to long term;

- The approach assumed under this scenario would be easier to deliver, being controlled through tighter planning policies, and would minimise the need for external funding;
- The deterioration in the quality of essential local support services would be arrested as demands on them would remain at current levels, assuming that the population level remains the same;
- Pressures on the local labour market would be reduced to more manageable levels, as some employers would be expected to leave the area in the medium to long term;
- Development pressures would be tightly managed, leading to a lower risk of encroachment onto environmentally sensitive areas;
- The impact of development in neighbouring areas on environmentally sensitive areas would also be tightly controlled leading to an improvement in environmental and lifestyle quality to the benefit of local residents.

Adverse Consequences Anticipated

7.21 Under this scenario a number of adverse consequences can be anticipated:

- Businesses might be constrained in their ability to adapt on their sites, particularly where higher levels of density are required. This may cause some to move out to areas where their expansion options can be more easily accommodated;
- The inflexibility of choice brought about by restrictive planning policies would almost certainly lead to gradual loss of employment on a continual basis, with the possible loss of one or more major employers in the long term. There would be related consequences of higher unemployment and increased urban dereliction and deprivation which, in turn, would require regeneration;
- As investment levels by employers stagnate, there could be a parallel stagnation in the level of investment in town centre retail as a consequence and in the leisure sector. Some aspects of lifestyle quality could deteriorate. There would be no increase or major improvement in cultural and leisure activities;
- The benefits to environmental quality would, of course, be welcomed, but other quality of life factors would not benefit as there would be reduced scope for providing a full range of retail, leisure and other services for the Sub-Region.

7.22 Because more intense use of existing occupied sites would be discouraged, the use of employment land would not be optimised. This policy stance would conflict with the expressed aims of the Regional Economic Strategy and RPG9 because there would be no measures in place to sustain future economic growth. Given the loss of

key employers to the area, there is a risk that a gap in the wealth creating core of the region would be created.

- 7.23 This option has a number of merits that should be taken account of, but not all of the outcomes sought from sustainable development as listed above would be addressed.

Projected Population, Employment and Housing Trends

Population and Labour Force.

- 7.24 Under Scenario 2 population levels would remain relatively stable, with growth being confined to natural rates of growth. There would be limited levels of in-migration, because employment levels would either remain level or reduce. For the purposes of projection, it is assumed that inward and outward migration will be equal with outward immigration due to job losses being matched by in-migration for general lifestyle reasons.

Employment

- 7.25 Under this scenario, it is anticipated that growth of employment would be highly constrained, as expansion and re-structuring by local businesses would be discouraged by Local Authorities. Under these circumstances due to a tendency of some employers to trickle away from the area due to constraints on expanding, there would be a gradual decrease in employment each year, which is assumed to be by 0.5% per year.
- 7.26 At some stage, it is anticipated that one or more major employers might decide to leave the area, because no further adaptation on their existing sites, or development of alternative sites, would be permitted due to inflexible planning policies. This would be followed by an outflow of related supply industries.
- 7.27 The projected pattern from these two effects would, therefore, be a continual reduction of employment equating to 0.5% per year, together with a possible step reduction in employment between 2007 – 2012 due to the effect of the loss of one or more major employers. As the latter effect is expressed as a possibility, projected employment at this point is expressed as a range.
- 7.28 Beyond 2016, the continued decrease in employment would continue at 0.5% per year, offset by recovery of 50% of the jobs lost from outward movement of major employers, by 2031, as lower grade industries move into vacated sites and premises to replace them.

Housing

- 7.29 It is anticipated that average household size will fall over the next 30 years and, as a result, this scenario would require an additional 15,000 housing units to be built in the Blackwater Valley up to 2031.

Table 7.2 – Population, Workforce, Employment and Housing Projections: Active Discouragement of Growth

Year	Population	Workers	Jobs	Net Outward Commuting	Cumulative Gross Additional Housing Requirement
2001	308,000	169,000	142,000	27,000	-
2007	307,000	166,000	138,000	28,000	6,000
2016	306,000	162,000	118-131,000	31-44,000	11,000
2031	304,000	158,000	114-120,000	38-44,000	15,000

Source : Consultants' Estimate

Delivery Implications

- 7.30 Under Scenario 2 Local Authorities would adopt more restrictive planning policies whilst focussing on more intensive environmental protection. There would be no significant change in existing transport policies, although tactical measures to improve transport access and services would continue to be developed.

SCENARIO 3 – ACTIVE ADAPTATION TO GROWTH AND CHANGE

Basis of the Scenario

- 7.31 Scenario 3, which is based on active adaptation to growth and change, would seek to address the sustainability needs of the Sub-Region comprehensively. It would focus on achieving the full combination of high environmental quality for the area and improvement of quality of life in all its aspects; of preserving the area's key wealth generators, achieving a balanced economy and maintenance of high prosperity levels; of meeting housing objectives; alleviating congestion through public transport investment; and reducing pressure on the labour market.
- 7.32 Under this scenario highly proactive measures would be put in place, geared towards:

- Tackling the demand for road transport, encouraging employers and individuals to change their travel behaviour by embracing new communications technology and flexible working;
- Changing the profile and approach to development in such a way as to provide key infrastructure and affordable housing;
- Improvement in the capacity of employers and individuals to enhance productivity and the added value of their output;
- Addressing the implications for education and training and related support infrastructure; and
- Putting in place the infrastructure, skills and resources to support a growth economy, particularly through the supply of lower skilled labour, where needed.

7.33 Major investment would be achieved in integrated public transport and strategic interchanges, linked to hubs of intensive mixed use development. This would be coupled with measures to preserve and further develop the area's key wealth generating industries. Through such an approach, the growth of high value added activities would be accommodated; less essential activities would be relocated to neighbouring areas with the capacity to accommodate them; and labour market pressures would be addressed through a series of workforce development initiatives. There would be a continued strong focus on environmental quality and a higher range and quality of retail, leisure and support services would be achieved. Major problems such as the shortages of affordable housing and lack of key infrastructure would be addressed proactively through development frameworks and development agreements designed to cross fund these requirements.

Reasons for Considering this Scenario

7.34 The reason for considering this scenario is that it reflects the approach broadly advocated by the Regional Economic Strategy and RPG9 towards optimising economic growth. The Regional Economic Strategy sets out a number of key principles:

- Preserving the core business base and inherent dynamism;
- Fostering smart growth in people, high productivity, more wealth out of less development and other resources;
- Supporting sustainable economic development which minimises trip generation;
- Promoting efficient uses of land;

- Promoting the efficient movement of people from home to work;
- Maintaining high environmental quality;
- Realising the maximum potential from the labour force; and
- Keeping key services and support activities running efficiently.

Medium to Long Term Consequences of the Scenario

Positive Outcomes Anticipated

7.35 Scenario 3 would bring about a number of positive outcomes:

- It would be conducive to reduced economic overheating and the preservation of the key economic drivers of the Sub-Region;
- It would provide for more efficient use of the labour market and potentially spread investment to neighbouring areas which are less prosperous;
- Major investment in public transport would become viable through greater concentration of demand;
- There would be greater scope for achieving cross-funding of key transport infrastructure and supporting services;
- The scope of the retail and leisure offer would be widened, as it would be possible to consolidate a larger scale and range of such activities to serve the needs of the entire Sub-Region in specific locations, rather than on a piecemeal basis, through the formulation of comprehensive development frameworks.

Adverse Consequences Anticipated

7.36 A number of adverse consequences can be anticipated from this approach:

- This scenario would, in general terms, be reliant on higher levels of external funding, although the scope for greater levels of cross-funding would be enhanced. The precise level of such funding could only be quantified following the creation of a costed, area-wide development framework;
- To achieve this option would require a radical change of approach departing from traditional planning and development practices, and requiring a highly integrated approach between the public and private sector, coupled with intensive dialogue and co-operation with neighbouring areas, and with regional and central Government;

- The scenario would require significant changes to local planning policies and development planning practices, based on higher levels of public sector intervention. This could give rise to a degree of political opposition in the short term, if the rationale for such an approach were not to be clearly and widely promoted and understood.

Projected Employment, Population and Housing Trends

- 7.37 Under Scenario 3, projected employment would match the growth associated with the TEMPRO forecasts. Population would rise steadily, though sustainably, leading to a reduction in out-commuting and, ultimately net in-commuting of workers. Population growth and falling household size would necessitate an additional 37,000 housing units to be built up to 2031.
- 7.38 Table 7.3 sets out population, workforce, employment and housing projections for the Blackwater Valley under this scenario.

Table 7.3 – Population, Workforce, Employment and Housing Projections: Active Adaptation to Growth

Year	Population	Workers	Jobs	Net Outward Commuting	Cumulative Gross Additional Housing Requirement
2001	308,000	169,000	142,000	27,000	-
2007	312,000	172,000	154,000	18,000	8,000
2016	338,000	186,000	175,000	11,000	24,000
2031	354,000	195,000	210,000	-15,000	37,000

Source : Consultants' Estimate

Delivery Implications

- 7.39 Under Scenario 3 Local Authorities would take a considerably more proactive stance and devise and implement radical solutions to infrastructure needs and scarce land resources. The approach would be characterised by measures to provide improved labour market links with surrounding areas through investment in strategic transport infrastructure and interchanges and massive investment in integrated transport. In parallel, there would be more intensive use of existing land and property with development being more highly concentrated in strategic locations.

- 7.40 The location, design and configuration of such development would be orchestrated in a manner more conducive to sustainable development based on proactive master planning and development frameworks.
- 7.41 Measures would also be taken to identify Sub-Regional inter-linkages and satellite applications where overspill development could be located close by in order to preserve key industries and growth clusters within the Sub-Regional hinterland. However, there would be a continued strong focus on the preservation of environmental quality.
- 7.42 Scenario 3 would entail significant policy implications and there would be a need to be built upon a comprehensive vision and development framework for the area, extensive marshalling of resources towards common aims would be required as would, a long term policy commitment towards a complex and inter-related series of aims.
- 7.43 A clear series of steps would need to be mapped out across all aspects of the future development of the Blackwater Valley, matched with the development of a range of additional delivery capacities to take such a vision forward.

SUMMARY

- 7.44 Three possible policy led strategic scenarios for the Blackwater Valley have been identified, namely:

Scenario 1 – Limited Intervention;

Scenario 2 – Active discouragement of growth

Scenario 3 – Active adaptation to growth and change.

- 7.45 Scenario 1 equates closely to 'Do Minimum' in that it assumes there would be no major change in planning and transportation policies and that development in the Study Area would continue to be market led, regulated only through the development control process.
- 7.46 In Scenario 2 the focus is on public sector intervention to heavily sustain or prevent further development. Growth pressures would remain, but would not be fulfilled. There would be a marginal level of investment in transport infrastructure, confined to incremental improvements only.

- 7.47 In Scenario 3, which is based on active adaptation to growth and change, the primary objective would be to seek to address the sustainability needs of the Blackwater Valley comprehensively. Under this scenario proactive measures including substantial investment would be adopted to tackle a whole range of transport, development, housing, education and training and infrastructure needs but against a backdrop of maintaining environmental quality. This scenario reflects the approval broadly advocated by Regional Economic Strategy and RPG9 towards optimising economic growth.
- 7.48 Each scenario would result in both positive outcomes and adverse consequences in the medium to long term, which are outlined.

8. EVALUATION OF ALTERNATIVE SCENARIOS

INTRODUCTION

- 8.1 In this Section the three strategic scenarios are evaluated in terms of their consequences and implications; the extent to which they are likely to achieve a sustainable outcome; and their projected population and employment.

CONSEQUENCES AND IMPLICATIONS

- 8.2 The consequences and implications of the three strategic scenarios are evaluated and summarised in Table 8.1.

Table 8.1 - Consequences and Implications of Alternative Scenarios

Development Scenario	Consequences			
	Economy and Employment Impact	Transport and Infrastructure Impact	Social, Environmental and Housing Impact	Other Implications
Scenario 1: Limited Intervention				
<p><i>Description:</i></p> <p>Continued internal growth and inward investment into the area.</p> <p>Interventions confined to marginal improvements to operating conditions.</p> <p>No proactive response to addressing development demand, housing shortages and transport congestion.</p>	<p>Widens scope for loosely targeted economic diversification, but not sustainable.</p> <p>Attraction of sub-optimal economic mix.</p> <p>Intensified labour market overheated and skills shortages.</p> <p>Skills shortages amongst key workers.</p> <p>Higher costs to business.</p> <p>Employer dissatisfaction.</p> <p>Threat of losing major employers.</p> <p>Risk to stability of key regional growth cluster.</p>	<p>Greater reliance on private vehicles.</p> <p>Growth in congestion.</p> <p>No strategic level improvement to public transport.</p> <p>Limited interactions with surrounding sub-regions.</p> <p>Gradual decline in infrastructure quality.</p> <p>Supporting infrastructure capacity runs out in medium term.</p>	<p>Sub-optimal use of employment land resources.</p> <p>Intensified demand for housing.</p> <p>Policies may not address future needs.</p> <p>No additional affordable housing.</p> <p>Heavy demand on existing infrastructure and environmental assets.</p> <p>Pressure to develop in environmentally protected areas.</p> <p>Decline in quality of life.</p>	<p>Continued inward investment promotion.</p> <p>Planning stance reactive to demand.</p> <p>No step change in transport policy.</p> <p>Intervention on development confined to existing planning policies.</p>

Development Scenario	Consequences			
	Economy and Employment Impact	Transport and Infrastructure Impact	Social, Environmental and Housing Impact	Other Implications
Scenario 2: Active Discouragement of Growth				
<p><i>Description:</i></p> <p>Development resistant policies with high emphasis on environmental protection.</p> <p>Marginal level of investment in transport infrastructure, confined to incremental improvements only.</p> <p>Growth pressures remain, but are not fulfilled.</p>	<p>Decline in employment activity.</p> <p>Outward relocation of major employers.</p> <p>Risk to stability of key regional growth clusters.</p> <p>High redundancies in lower skilled occupations across a wide area.</p> <p>Less pressure on essential services.</p>	<p>Increased levels of out commuting.</p> <p>Reduced levels of in-commuting.</p> <p>Strategic network congested.</p> <p>Improvement in local network congestion.</p> <p>Limited options for local transport development due to reduced patronage.</p> <p>Other supporting infrastructure capacity adequate.</p>	<p>Environmentally quality maintained.</p> <p>Reduction in employment choices.</p> <p>Reduction in investment in retail and leisure services.</p> <p>Higher unemployment levels.</p> <p>Less pressure on essential services.</p> <p>Mixed impact on quality of life: better environment/reduced choice of retailing and leisure.</p>	<p>Development resistant planning policies.</p> <p>More intensive environmental protection.</p> <p>No change in existing transport policies.</p> <p>Active relocation strategy.</p>

Development Scenario	Consequences			
	Economy and Employment Impact	Transport and Infrastructure Impact	Social, Environmental and Housing Impact	Other Implications
Scenario 3: Active Adaptation to Growth and Change				
<p>Description:</p> <p>Proactive development policy stance, oriented towards major investment in integrated public transport and strategic interchanges, linked to hubs of intensive mixed use development.</p> <p>Intensive support to preservation and development of key growth sectors.</p> <p>Continued strong focus on environmental quality.</p> <p>Highly proactive approach to workforce development.</p>	<p>Reduced overheating.</p> <p>Preservation of key regional cluster.</p> <p>Improved knowledge transfer impacting on local wealth creation.</p> <p>Encouragement of more local working.</p> <p>Sustainable potential for economic diversification.</p> <p>Employment impact spreads to benefit spreads to less prosperous neighbouring sub-regions.</p> <p>More efficient use of regional labour market.</p> <p>Need for satellite locations to absorb overspill from growth industries.</p>	<p>Radical solutions to public transport.</p> <p>Substantial investment is in public transport justified by required levels of demand generation.</p>	<p>Development spatially concentrated to aggregate local travel demand.</p> <p>Development values cross-fund infrastructure improvements and social housing.</p> <p>Residential development integrated with other mixed users.</p> <p>Proactive public sector investment in town centres prior to promotion to developers.</p> <p>Reduced pressure on housing.</p> <p>Environmental quality maintained or improved.</p> <p>Some localised environmental tension.</p> <p>Adequate provision of affordable housing.</p>	<p>Radical solutions to transport infrastructure and labour market links. Massive investment in integrated transport.</p> <p>More intensive use of existing land and property. Public sector proactive in land assembly and initiating development frameworks taken forward through public-private partnership.</p> <p>Location, design and configuration conducive to sustainable development</p> <p>Satellite locations for development may be needed to preserve knowledge based cluster in long term.</p> <p>Selective relocation strategy.</p>

ASSESSMENT OF SUSTAINABLE OUTCOMES

- 8.3 Table 8.2 provides an assessment based on matching the consequences of each scenario against the desired sustainable outcomes outlined in Section 6.
- Limited Intervention (Scenario 1) would be the least sustainable. It would lead to a deterioration of the environment, quality of life, the strength of the economic base and the labour market balance. Limited investment in transport and other supporting infrastructure would be achieved;
 - Active Discouragement of Growth (Scenario 2) would have more virtuous effects. It would achieve a better environment, reduce pressure on the labour market and the transport system and help to achieve a more balanced economy. It would not however, be conducive to maintaining high prosperity levels;
 - Active Adaptation to Growth (Scenario 3) would meet the desired sustainability outcomes to a significant level.

Table 8.2 – Assessment of Alternative Scenarios against Sustainable Outcomes

Outcomes/Scenarios	Scenario 1: Limited Intervention	Scenario 2: Active Discouragement Of Growth	Scenario 3: Active Adaptation To Growth
Preservation of high environmental quality for area	Medium	High	Medium
Improvement of quality of life	Medium	Medium	High
Preserving the area's key wealth generators	Medium	Medium	High
Maintenance of high prosperity	Medium	Medium	High
Meeting housing objectives	Medium	Low	High
Reduced congestion through public transport investment –	Low	Medium	High
Reduced pressure on the labour market	Low	High	High
Achievement of a balanced economy	Medium	High	High
Achieving investment in supporting infrastructure	Low	Medium	High

COMPARISON OF POPULATION AND EMPLOYMENT PROJECTIONS

- 8.4 Table 8.3 sets out a comparison of the projected population and employment levels under each scenario. The assumptions on which these are based are described under each of the scenarios in Section 7. It indicates that the degree of self-sufficiency in the economy and the labour market achieved with the Limited Intervention and Active Discouragement of Growth scenarios would be relatively poor, leading to very high levels of net out-commuting. This would be at the expense of congestion on the transport networks of neighbouring areas.
- 8.5 The Active Adaptation to Growth scenario would, in contrast, lead to a much greater level of self sufficiency, with a continual decline in net out-commuting being achieved, leading to a closer balance of jobs and the local workforce in the long term.

Table 8.3 - Population, Workforce, Employment and Housing Projections for Blackwater Valley, 2001-2031

	Population	Workers	Jobs	Net Outward Commuting	Cumulative Gross Additional Housing Requirement
Limited Intervention					
2001	308,000	169,000	142,000	27,000	-
2007	314,000	173,000	153,000	20,000	9,000
2016	322,000	177,000	140,000	37,000	17,000
2031	337,000	185,000	154,000	31,000	30,000
Active Discouragement of Growth					
2001	308,000	169,000	142,000	27,000	-
2007	307,000	166,000	138,000	28,000	6,000
2016	306,000	162,000	118-131,000	31-44,000	11,000
2031	304,000	158,000	114-120,000	38-44,000	15,000
Active Adaptation of Growth					
2001	308,000	169,000	142,000	27,000	-
2007	312,000	172,000	154,000	18,000	8,000
2016	338,000	186,000	175,000	11,000	24,000
2031	354,000	195,000	210,000	-15,000	37,000

Source : Consultant

SUMMARY

8.6 From an evaluation of the three scenarios in terms of their consequences and implications, the extent to which they are likely to achieve a sustainable outcome and their projected population and employment, the following conclusions are drawn:

- Scenario 1: Limited intervention would be the least sustainable and could lead to a weakening of the economic base of the area. Limited investment in transport would worsen traffic congestion and could prejudice the attractiveness of the area to investment and may also diminish the quality of life for residents. Furthermore Scenario 1 would fail to address the current imbalance in the housing market, the labour skills shortage and the overheating of the labour market;
- Scenario 2: Active discouragement of growth could well maintain or enhance the environmental quality of the area and, by dampening investment and economic activity, ease overheating of the labour market and traffic congestion. However, it may well encourage major employers to relocate out of the area leading to redundancies, putting at risk the economic prosperity of the area;
- Of the three scenarios it is Scenario 3 – active adaptation to growth and change which is most likely to achieve the desired sustainability outcomes. Under this scenario there would be significant investment in transport infrastructure aimed at easing congestion and in facilitating sustainable development at satellite locations well served by public transport. In addition a proactive approach would be taken to promoting sustainable development, to work force development and to cross funding affordable housing provision and infrastructure improvements from enhanced development values. Overall measures under this scenario would seek to enhance environmental quality, although some localised adverse environmental impact may be experienced;
- Of the three scenarios it is Scenario 3 – active adaptation to growth - which would lead to a greater of self-sufficiency in the study area, with net out commuting declining as a closer balance is achieved between jobs and the local workforce in the longer term. Both Scenarios 1 and 2 would fail to enhance the self-sufficiency of the area, leading to high levels of out commuting and transport congestion.

9. TOWARDS A SPATIAL STRATEGY

INTRODUCTION

9.1 In this section the spatial implications of the three strategic scenarios are addressed. Drawing from the principles set out in Government guidance a number of spatial options for sustainable growth are considered and evaluated. In addition some key themes integral to the promotion of sustainability are outlined.

KEY SPATIAL PRINCIPLES

9.2 RPG9 provides key principles for the attainment of sustainable development and provides a starting point for assessing the spatial implications of alternative scenarios. The key principles include:

- Focus development, including housing, leisure, work and community facilities in urban areas to ensure less dispersed patterns of development and sustainable travel patterns. Prioritising development within urban areas will promote urban renaissance principles and help regenerate deprived areas;
- Promote the role of London and the region's international connections to enhance the attractiveness of the region to the rest of Europe;
- Develop the economy of the area by raising skills levels and reducing regional disparities;
- Provide a mix of housing type and tenure to meet existing need and subsequently provide greater access to homes and jobs thereby helping to establish balanced communities;
- Protection and enhancement of the built and natural environment including the creation of a greener residential environment with a greater emphasis on quality in design.

9.3 PPG3 also provides criteria against which Local Authorities should assess potential sites for housing development. These are as follows:

- The **availability of previously developed sites** and empty or underused buildings and their suitability for housing use;
- The **location and accessibility** of potential development sites to jobs, shops and services by modes other than the car and the potential for improving accessibility;
- The **capacity of existing and potential infrastructure** including public transport, water and sewage, other utilities and social infrastructure (such as schools and hospitals) to absorb further development and the cost of adding further infrastructure;
- The **ability to build communities** to support new physical and social infrastructure and to provide sufficient demand to sustain appropriate local services and facilities; and
- The **physical and environmental constraints on development of land**, including, for example, the level of contamination, stability and flood risk, taking into account that such risk may increase as a result of climate change.

THE LOCATION OF SUSTAINABLE GROWTH

- 9.4 In the past 10 years or more growth across the Blackwater Valley has been focused on urban areas and broadly spread across settlements. This has been achieved as each Local Authority has attempted to guide development within its own area without addressing the requirements of the Blackwater Valley as a whole.
- 9.5 With the establishment of the Blackwater Valley Network and through a coherent approach to planning the area in the future it will also be possible to address the location of development in a more co-ordinated way. On the basis of the principles identified above it is possible to identify a number of spatial options for the future sustainable development of the Blackwater Valley as follows:
- **Concentrating development around key town centres** – this approach implies that the performance of the whole will benefit from concentration on key assets which develop into major centres to compete with those in areas outside the Blackwater Valley. Growth in the remaining towns within the Study Area will respond to development opportunities;
 - **Spreading development within existing urban areas** – spreading growth proportionately across urban areas has, in the past, relied on small sites being developed in an incremental way which does not assist in the delivery of infrastructure to support development and affordable housing;
 - **Rural housing** – village expansions and infilling are unlikely to result in a significant supply of new housing land and unless they can support the existing rural community

and are unlikely to be sustainable. It is assumed that most opportunities for infilling and rounding-off within the Blackwater Valley will already have been identified;

- **Urban extensions** – planned extensions are regarded as the next most sustainable option after building on appropriate sites in urban areas. Such an approach is desirable where it utilises existing physical and social infrastructure, is tied to good public transport accessibility and where there is good access to jobs, schools, shopping and leisure facilities;
- **New settlements** – PPG3 recognises that new settlements may prove to be a sustainable option if they meet regional requirements in terms of capacity; if they are large enough to support a range of local services; make use of previously developed land; exploit public transport by locating around a major node along a good quality public transport corridor; encourage the use of public transport through the design and layout of the new settlement; and if there is no more sustainable alternative.

9.6 Each of the three scenarios is likely to entail elements of urban concentration, infilling of villages and other windfall development to contribute to growth. Urban extensions and new settlements are more likely to occur with Scenario 3 (active growth management) than the limited intervention or active discouragement of growth scenarios. The starting point for the spatial strategy is provided by the Strategic Transport Framework for the Blackwater Valley which is presented on Figure 9.1.

9.7 When the spatial options identified above are considered in relation to the Blackwater Valley the following key features can be recognised:

- **Concentrating development around key town centres** – the main opportunities for development within the Blackwater Valley would appear to be based around Aldershot and Farnborough because of the scope for development on brownfield sites, the need for regeneration, the limited number of environmental constraints and the opportunities to enhance transport provision. The development of Military Town provides the greatest opportunity to develop at higher densities while Farnborough provides a range of significant employment opportunities including land adjoining the airfield. Beyond housing and employment opportunities the possibilities for developing Aldershot and Farnborough for higher order functions should be explored. Fleet, Camberley and Farnham would then be developed as second order towns to complement the roles of Farnborough and Aldershot. Figure 9.2 shows how this spatial pattern might be expressed as Building on Key Opportunities based on an axis of growth along the river corridor;

Figure 9.1 - Strategic Transport Framework

Figure 9.2 - Spatial Pattern 1 – Building on Key Opportunities

- **Spreading development within existing urban areas** – this approach would involve urban intensification being applied equally around the main towns of Aldershot, Farnborough, Camberley, Farnham and Fleet while the local centres would also take a proportionate amount of development. In practice the extent of growth would be determined by capacity issues such as transport and environmental quality. For instance, Farnham town centre is highly constrained by its many listed buildings and would appear to provide fewer opportunities for urban intensification than other town centres. Similarly, while there are some opportunities for town centre mixed use/ intensification in Camberley, transport is also a significant constraint to development. Figure 9.3 shows how this spatial pattern might be expressed in terms of a Continuity approach;
 - **Rural housing** – it is assumed that most opportunities for infilling and rounding-off within the Sub-Region will already have been identified. However, with the Government promoting higher density development in the South East Region there may be limited opportunities for growth within villages;
 - **Urban extensions** – urban extensions are likely to be less acceptable in the Blackwater Valley due to the existence of planning designations affecting rural areas adjoining existing settlements. Nevertheless opportunities for urban extensions should be examined particularly with respect to strategic gaps where possibilities for new development may occur. An important issue for further review will be to ascertain whether there are opportunities for development within strategic gaps, particularly on previously used land, without undermining the primary purpose of strategic gaps which is to prevent the coalescence of settlements. Any urban extensions should relate to the guidance set out in PPG3 and should focus on promoting development to complement and enhance town centres in the Blackwater Valley rather than smaller local centres;
 - **New settlements** – there are unlikely to be any opportunities for new settlements in the Blackwater Valley in the traditional sense because of the significant environmental constraints. However, should the Ministry of Defence or other major landowners release significant sites in the future then the possibility of a new settlement may arise. In line with PPG3 guidance locations should be sustainable and, in particular, should relate to the existing public transport network. Opportunities for new settlements immediately beyond the Study Area should also be borne in mind as potentially serving the needs of the Blackwater Valley.
- 9.8 The principles identified above should be at the heart of all three alternative scenarios. What will should distinguish between the alternative spatial implications will be the amount of growth and its distribution.

Figure 9.3 - Spatial Pattern 2 – Continuity

- 9.9 In line with policies which support sustainability and urban renaissance, the intensification of development in urban areas should be seen as the highest priority for future sustainable growth before land on the edge of urban areas is identified for new development. Recent Government guidance aims for new development to be in the region of 30-50 dwellings per hectare – much higher than current densities within the Blackwater Valley. In parts of the Blackwater Valley, policies are in place which aim to preserve the character of lower density housing areas. In some such cases existing densities are as low as 11 dwellings per hectare. In the context of recent Government guidance such policies cannot be supported in the future, in spite of the laudable aim of retaining a stock of larger dwellings to provide a wide range of housing, and more intensive development in residential areas can be expected. Where residential areas are close to town centres higher density development will assist in meeting sustainability objectives and will also help to contribute to a development hub which will support enhanced public transport services.
- 9.10 Similarly there will need to be a re-appraisal of employment land, particularly close to town centres. Such land provides opportunities for higher density employment uses as part of sustainable mixed use developments which also incorporate higher density residential schemes. Recent changes in food retailing have seen a switch back to town centres with the provision of smaller units than was common in the out of town centre developments typically developed in the 1980s and 1990s. Therefore, town centre and edge of centre retail redevelopment offers further opportunities for high density mixed use schemes.
- 9.11 In the Blackwater Valley, like many adjoining areas, there are no obvious sites for development on the edges of urban area. Many such sites are within the Green Belt where there is a policy presumption against development. While, in some circumstances it may be appropriate to review Green Belt boundaries where there are other overriding policy objectives to be met, in the case of the Blackwater Valley, such a case cannot easily be put forward. The main reason for this is that Green Belt designation often relates to land which is covered by other environmental designations. Such critical environmental capital signifies an environmental asset which cannot be replaced and should be kept in perpetuity.
- 9.12 Other aspects of the environment can be classified as constant environmental capital – assets which should be retained if possible but can be substituted elsewhere if an overriding need for development is established – or tradeable environmental capital signifying environmental assets which may have to be sacrificed to meet wider social or economic objective. Although a thorough review of the environmental assets has not been undertaken as part of this study, it is clear that much of the land surrounding the urban areas of the Blackwater Valley falls into the category of critical environmental capital. Consequently opportunities for the expansion of the urban areas are somewhat limited.

- 9.13 Greenfield locations might need to be explored in more detail for longer term development. Much more detailed evaluation of these areas will be necessary to determine which would best serve the long term development needs and indeed what form of development should take place.
- 9.14 Given the extensive landholding of the MOD within the Blackwater Valley the study brief specifically referred to the opportunities which the release of such land could provide. Much of the MOD landholding is rural and/or constrained by environmental designations and even where the land is unconstrained it may not provide sustainable development opportunities as it is often located remotely from town centres, social and community infrastructure and transport links. Consequently its potential for residential development may be limited and alternative uses may need to be considered.
- 9.15 A further element of any future spatial strategy for the Blackwater Valley should be to tie in development with evolving transport plans. Connecting key town centres where development is focused around transport hubs / public transport interchanges will be an important element of this approach. Figure 9.1 shows the strategic transport framework which takes account of the proposals set out in the Thames Valley Multi-Modal Study and the Blackwater Valley Mass Transit Study. In considering locations where such development could be explored, there is the further dimension of creating some form of mass transit public transport system, serving the internal movement needs of the area linking in with the key strategic rail routes, such as the London to Southampton line and the Thames Valley line.
- 9.16 Taking account of the existing settlement pattern and development profile of the area it is unlikely that a high quality mass transit service would be viable. To be justified on economic grounds, this would depend in the long term on having sufficient levels of demand generation for such a system to be self supporting in terms of revenue income generation. The implications for Blackwater Valley are that the key development schemes need to be concentrated and aligned as part of a linear network which can link with major rail and road interchanges in order to generate the required levels of public transport demand. Nevertheless, in the short to medium term measures can be pursued that could assist in creating the conditions for a mass transit system in the longer term.
- 9.17 In so doing, it would be possible to create travel demand by attracting commuting to and from a line or sequence of concentrated groupings of large scale mixed use development hubs. These would become major generators of outward and internal movement from those living or working within or around such developments, or from those seeking to use supporting leisure and retail services contained within them.

- 9.18 The Draft Regional Transport Strategy for the South East includes the promotion of a Thames Valley Mass Transit scheme as a way of achieving a step-change in the quality of the public transport system for the area. It makes a commitment to exploring the potential of incorporating the Blackwater Valley into such a system in later stages. Such solutions would need to be significant in scale and radical in nature if they are to have the required impact. However, projected increases in population and employment should provide a firm economic justification for major investment in public transport services. On this basis, a transport approach based on extending and enhancing bus based public transport could be pursued which could assist in establishing the framework for the development of a mass transit system in the longer term.

ELEMENTS OF A SPATIAL STRATEGY

- 9.19 To achieve the range of sustainable development benefits referred to in Section 6 will require a range of actions to address policy development and the delivery of future outcomes. What is called for is an approach in which the opportunities, problems and issues caused as a consequence of economic success are effectively addressed. This Section sets out the range of factors that would need to be addressed if the positive outcomes of sustainable development are to be fully realised throughout the area.
- 9.20 There are few places in the South East where the problems associated with economic growth are as intense as in the Blackwater Valley. However, the area is threatened by the consequences of its success given that growth patterns have led to inflexibility within the labour market, significant housing shortages and congested infrastructure.
- 9.21 Economic growth management is an approach strongly advocated in the RES and includes the following key requirements:
- Preserving the core business base and inherent dynamism;
 - Fostering growth based around people, high productivity, more wealth out of less development and other resources;
 - Supporting sustainable economic development which minimises trip generation;
 - Promoting efficient uses of land;
 - Promoting the efficient movement of people from home to work;
 - Maintaining high environmental quality;

- Realising the maximum potential from the labour force; and
- Keeping key services and support activities running efficiently.

9.22 The principal solutions to these needs should be:

- Tackling the demand for road transport, encouraging employers and individuals to change their travel behaviour by embracing new communications technology and flexible working;
- Changing the profile and approach to development in such a way as to provide key infrastructure and affordable housing;
- Improvement in the capacity of employers and individuals to enhance productivity and the added value of their output;
- Addressing the implications for education and training and related support infrastructure; and
- Putting in place the infrastructure, skills and resources to support a growth economy, particularly through the supply of lower skilled labour where needed.

9.23 Long term, the Blackwater Valley needs to be planned to assure its economic vibrancy and potential, whilst allowing the towns within the area to retain their identity and unique character. This requires an approach which addresses the specific opportunities and issues faced by individual Blackwater Valley towns.

Key Themes

9.24 In Section 6 the key themes which are integral to the promotion of sustainability are outlined. In this section the means to address the key themes are identified.

Promoting Urban Renaissance

9.25 Focusing development in urban areas provides opportunities to develop at higher densities and for development to be tied to enhanced public transport provision. This could involve development at and above key rail stations and major public transport interchange hubs. Such development uses less land than out of town development and allows the opportunity for a mix of uses which helps to sustain urban areas through increased activity and an overall reduction in the need to travel. It also provides the opportunity to develop a strong urban culture. The settlements of Aldershot and Farnborough could be the focus of such development initiatives.

- 9.26 The urban renaissance also promotes high quality development which should encompass new development and existing environments. The development of social infrastructure must also take place alongside the physical and economic regeneration of urban areas.
- 9.27 Higher density developments focused on existing town centres also provide the opportunity for a more efficient development of infrastructure including public transport networks. This in turn calls for more intensive use of land resources with development configured in such a way as to ensure highly attractive living and working environments through imaginative planning and high quality design.

Fostering Regeneration and Competitiveness

- 9.28 As a whole the Blackwater Valley is a highly developed economy with few areas of deprivation. However, pockets of Rushmoor are in need of regeneration and Project Connaught provides significant opportunities to bring this about. It is also important that regeneration builds upon the diversity and uniqueness of the area rather than simply mirroring other places.
- 9.29 The promotion and fostering of diversity is an important part of sustainability. It follows that all settlements within the Blackwater Valley should make the most of their unique characteristics and specialisms and that as a whole the area provides coherence. To enhance the identity of the area, competition with places outside the Blackwater Valley should be promoted alongside the development of complementary functions within the Study Area.
- 9.30 The vision could involve promoting Camberley and Farnborough as centres for advanced hi-tech industry and the Aldershot area as an area for more traditional manufacturing.

Sustaining Rural Activities

- 9.31 With nearly 70% of the Study Area being rural it is important that in developing a long term strategy for the Blackwater Valley measures are put in place to support the rural economy and rural ways of life.

Promoting the Efficient Use of Land

- 9.32 The efficient use of land is fundamental to issues of sustainability and urban renaissance. Consequently, town centres should be the focus not only of office and retail functions but leisure, entertainment and new homes at higher residential densities. Town centres are also most accessible locations for functions serving large number of people.

- 9.33 The scale of development is an important consideration in order to cross-fund a number of key supporting elements, which may include the infrastructure for public transport interchanges which serve such developments, other supporting infrastructure and services, and key public assets such as cultural centres, art and heritage and affordable housing.

Integrating Land Use and Transport

- 9.34 A key driver of Government policy is to highlight the need for development to focus on key public transport hubs in town centres. Within the Blackwater Valley the extensive public transport network offers a number of potential opportunity areas around transport hubs. Consequently the number of car based trips generated should be reduced.
- 9.35 The opportunity exists for the identification of options and solutions to create integrated road/rail interchange public transport hubs linked to other key regional centres, whilst serving the key employment and residential areas of the Blackwater Valley.
- 9.36 With regard to transport development, the commonly expressed view is that efforts to persuade people not to use cars will be frustrated unless there is a comprehensive and more integrated public transport system. Better bus services and more comprehensive rail links are required, with better links between services heading north/south and those heading east/west.
- 9.37 Future growth should be closely related to improvements in transport infrastructure with a clear focus on urban areas. Focusing development in town centres provides an opportunity for a step change in the provision of public transport.

Protecting and Improving Environmental Assets

- 9.38 Development should respect the environmental assets of the Study Area and ensure that there is no overall loss in quality as far as possible. Development need not necessarily mean that assets are lost and effective planning and management of the environment can bring about environmental enhancement.
- 9.39 Any measures to increase the scale and density of development within the Blackwater Valley should be accompanied by proposals to improve the supply of water and drainage facilities.

FURTHER CONSIDERATIONS

9.40 In Appendix 7 further detailed consideration is given to some elements of a spatial strategy for the Blackwater Valley, while Appendix 8 reviews the North Hampshire and West Surrey Action Plan which provides an important context for the present study.

SUMMARY

9.41 A number of spatial options for the future sustainable development of the Blackwater Valley have been identified, as follows:

- Concentrating development around key town centres, chiefly Aldershot and Farnborough and, to a lesser extent, Fleet, Camberley and Farnham;
- Spreading development within existing urban areas including the above and local centres;
- Rural housing, which may offer limited opportunities for growth in villages;
- Urban extensions, through this option will need careful evaluation given the importance of strategic gaps and the need to safeguard areas affected by restrictive planning and environmental designations; and
- New settlements, for which the redevelopments of MOD sites may offer opportunities.

9.42 Each of the three scenarios is likely to entail elements of urban concentration, infilling of villages and other windfall developments. However, urban extensions and new settlements are more likely to occur under Scenario 3 – active growth management, than under either of the other two scenarios. What will distinguish the spatial implications of the alternative scenarios will be the amount of growth and its distribution around the study area.

9.43 A spatial strategy for the sustainable development of the Blackwater Valley is likely to focus on a number of key themes:

- The promotion of urban renaissance;
- Sustaining rural activities;
- The promotion of economy in the use of land;
- The integration of land use and transport; and
- The protection and improvement of environmental assets.

10. CONCLUSIONS AND IMPLICATIONS FOR FUTURE WORK

INTRODUCTION

10.1 In this final Section the key conclusions of the study are outlined and the implications for future work of impending changes in the development plan system are reviewed.

10.2 In drawing up a spatial strategy for the Blackwater Valley a number of factors will need to be taken into consideration, including:

- The degree of consensus amongst the Blackwater Valley Local Authorities on the future vision of the area;
- The political will of Local Authorities to work together in the formulation and promotion of a spatial strategy;
- The level of resources, and funding likely to be available for implementation;
- The nature and degree of support likely to be engendered from stakeholders in the area, not least the business community.

10.3 These are all matters which will require some detailed consideration by the Blackwater Valley Network.

SUB-REGIONAL PLANNING AND THE PLANNING BILL

10.4 Regional Planning Guidance provides regionally based planning policy and the regional context for the preparation of development plans. Recent versions of RPGs have also included guidance on sub-regional issues, as evidenced by the reference to the preparation of a study to optimise economic growth in the Blackwater Valley in the 2001 edition of RPG9.

10.5 The Planning and Compulsory Purchase Bill published in December 2002 proposes changes to the development plan system and seeks to strengthen the role of regional strategies to ensure that they provide a strategic policy framework. To achieve this

the Bill proposes the preparation of Regional Spatial Strategies by regional planning bodies. These strategies are to be reflected in the Local Development Framework and action plans, which would replace the current development plan framework. The purpose of the revised system is to create a more simplified two tier system. It will mean the abolition of County Structure Plans.

- 10.6 Sub-Regional planning strategies are currently utilised by regional planning bodies to bring together a range of stakeholders and public bodies, such as Government Offices, Regional Development Agencies and Local Authorities, to address issues at a sub-regional level. The Blackwater Valley is identified in the current RPG9 as being appropriate for such a strategy.
- 10.7 The Government acknowledges the need for sub-regional strategies to address issues or areas that cross Local Authority or county boundaries. It envisages that most regions will have a small number of areas that require such guidance. Such strategies should be identified and incorporated within the proposed Regional Spatial Strategies.
- 10.8 In relation to the Blackwater Valley the timing and contents of the current study are such that it can be used to inform and influence the review of regional planning guidance/preparation of regional spatial strategy. Once an agreed strategy for the Blackwater Valley has been incorporated into the revised regional plan this would provide more detailed spatial guidance which would subsequently inform and influence the emerging plan process to be taken forward through Local Development Frameworks and Action Plans. The sub-regional planning strategy should establish the context for master planning, environmental management, infrastructure design and the programming of funding applications.
- 10.9 This Study could provide the basis for a formal sub-regional planning strategy which may, in the future, have a statutory basis. In this way the objective of the present Study – to inform and influence the development plan process and other documents at a sub regional level – can be met. This would, however, be heavily dependent on continued, and possibly enhanced, joint working between the relevant authorities at a local level to achieve a common vision for the area.

SUB-REGIONAL CO-ORDINATION

- 10.10 Consultations with various stakeholders during the course of this study have revealed dissatisfaction with what they regard as fragmented approaches to policy formulation at strategic and local levels within the Blackwater Valley due to the multiplicity of Local Authorities with responsibilities in the area. The preparation of a sub-regional strategy for the Blackwater Valley would provide the policy integration sought by

stakeholders. Its preparation and successful implementation will be dependent however, on close co-operation by the authorities in the area. It will mean:

- Defining the development profile for the area, taking account of key sustainability criteria;
- Successfully securing investment in high quality public transport provision on a large scale;
- Providing the support structures for learning and effective workforce development;
- Acting as the key focus for procuring the resources needed to implement integrated programmes;
- Promoting measures to create a formalised identity for the Blackwater Valley and its economic and spatial management;
- Acting as the focal point for transmitting key messages and dialogue with surrounding areas and regional and central Government on matters requiring wider co-ordination and lobbying; and
- Acting as the key focus for multi-sector working, providing the formalised interface between public sector bodies, investors, employers and the voluntary sector.

10.11 One aspect where the Network has proved successful, but more needs to be done, is in relation to the collection and co-ordination of data. The Compendium of Data and Information is an invaluable insight into the functioning of the Blackwater Valley. However, because much information is compiled on a district-wide basis it is not always easy to present a clear picture across the area. A co-ordinated approach to data collection would provide the opportunity to undertake comprehensive monitoring of the Area and to provide a more robust basis for future decisions about the Blackwater Valley.