

**CABINET – 17TH JUNE 2016****LEICESTER AND LEICESTERSHIRE STRATEGIC GROWTH PLAN****STRATEGIC GROWTH STATEMENT****REPORT OF THE CHIEF EXECUTIVE****PART A****Purpose of the Report**

1. The purpose of this report is to seek the Cabinet's approval of the Strategic Growth Statement for Leicester and Leicestershire, for consultation with stakeholders.
2. The Strategic Growth Statement forms the first part of a three-stage process to prepare a Strategic Growth Plan for Leicester and Leicestershire. The ten partners which have agreed to prepare a Strategic Growth Plan are the seven district councils of Leicestershire, Leicester City Council, Leicestershire County Council and the Leicester and Leicestershire Enterprise Partnership (LLEP).

Recommendation

3. It is recommended that -
 - (a) The Strategic Growth Statement be approved for consultation subject to (b) below;
 - (b) That the Chief Executive be authorised to make minor changes to the draft Strategic Growth Statement prior to consultation including any amendments arising from its consideration by the Member Advisory Group, the Scrutiny Commission, and partner authorities.

Reasons for Recommendation

4. To ensure that there is appropriate stakeholder consultation on the Strategic Growth Statement, and that this can commence in the summer of 2016.

Timetable for Decisions (including Scrutiny)

5. The draft Strategic Growth Statement will be considered by a Member Advisory Group on 9 June 2016 and any proposed changes will be reported to the Cabinet.
6. The Scrutiny Commission will be considering the Strategic Growth Statement on 15 June 2016, and its comments will be reported to the Cabinet.

7. All ten partner organisations are being recommended to approve the Strategic Growth Statement for consultation purposes with stakeholders during the summer and early Autumn of 2016.
8. The consultation responses will inform the preparation of a Draft Strategic Growth Plan.

Policy Framework and Previous Decisions

9. The Cabinet considered the Combined Authority proposal in November 2015; the Strategic Growth Plan is a key component of the Combined Authority proposal.

Resource Implications

10. There are no resource implications arising from this report. Officer time and funding for consultancy work have been contributed by all partners.

Circulation under the Local Issues Alert Procedure

11. A copy of this report will be circulated to all members under the Members News in Brief Service.

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PART B**Context**

12. The Council, working with Leicester City Council, the seven district councils, and the LLEP is preparing a Strategic Growth Plan (SGP) for Leicester and Leicestershire.
13. This exercise is being overseen by a Members Advisory Group (MAG), comprising representatives from each of the local authorities, together with the LLEP whose representative attends as an observer. The MAG is supported by a Strategic Planning Group, made up of senior officers from the local authorities. The Members' Advisory Group is responsible for assisting in the proper execution of the statutory Duty to Cooperate, by which local planning authorities and other key stakeholders, including the County Council, are required to co-operate on strategic planning issues, including employment and housing land provision, affecting local plans. A key role for the MAG is overseeing the preparation of the Strategic Growth Plan. The MAG considered the draft Strategic Growth Statement at its meeting on 28 April 2016 and will be recommended to approve the draft text for consultation purposes at its meeting on 9 June 2016.
14. The proposed Combined Authority for Leicester and Leicestershire will have responsibilities for strategic planning, alongside those for skills and transport, and it is expected that the final Strategic Growth Plan will be submitted for approval to the Combined Authority.

Why is a Strategic Growth Plan needed?

15. There are three main reasons why a Strategic Growth Plan is needed:
 - a) It will support partners to -
 - see 'the bigger picture' and plan effectively for the future;
 - prepare Local Plans within a consistent framework;
 - make decisions on infrastructure and investment and compete for, and secure funding from, the Government.
 - b) It will provide control over -
 - how forecast growth will be accommodated and supported;
 - the nature, location, quantum, timing, and speed of large scale new development;
 - the planning gain packages that come with it;
 - the protection and enhancement of environmental assets.
 - c) It will provide confidence to the market, Government, local businesses and residents that the councils and the LLEP -
 - have ambition for Leicester and Leicestershire;
 - understand the property market;
 - are genuinely working together;

- would use available funding wisely; and
- can use growth to resolve existing problems.

16. There are also risks that if no Strategic Growth Plan exists:

- Development will come anyway, but will be unplanned;
- Development and infrastructure will not be synchronised;
- Local Authorities would be unable to protect key assets;
- Existing problems, for example, congestion 'hot spots', will remain unsolved;
- Leicester and Leicestershire would lose development and investment to other areas;
- The 'Duty to Co-operate' would not be fulfilled;
- Decisions may be taken out of the hands of local people.

17. Leicester and Leicestershire is a very attractive place; its strengths and opportunities are of national importance. It includes a young, diverse, multi-cultural City, thriving market towns and popular villages, with three strong universities, and distinctive environmental assets in a central location with good connectivity.

18. The area has genuine opportunities for growth which include a distinctive offer of design, manufacture and distribution, potential to export more goods and services, innovation and technology, research and enterprise, a step change potential for Gross Value Added (GVA) and pay, and national infrastructure investment with private sector growth.

19. There are also a number of threats which need to be addressed, namely:

- Low GVA per head of population;
- Key roads are congested, there are problem junctions and rural roads are under strain;
- Gaps in connectivity in the strategic railway network;
- Limited bus network in rural areas, some gaps in the City;
- An ageing population, not as economically active as some areas.

20. The Strategic Growth Plan will be a non-statutory plan so there will be flexibility regarding its content. To date, the MAG has agreed a three-stage process. The Strategic Growth Statement forms this first stage; essentially, it includes an explanation as to why partners are preparing a Strategic Growth Plan, proposes a vision and objectives, summarises the evidence base, and sets out generic options for the spatial distribution of growth and next steps. The Strategic Growth Statement also signals that work has started on the preparation of a Strategic Growth Plan.

21. The three stages are as follows:

- Stage 1 (consultation Summer 2016): Strategic Growth Statement – a long term vision to 2050.

- Stage 2 (consultation Summer 2017): Development of the Draft Plan – to include housing targets, employment land, areas of search/directions of growth, major infrastructure requirements, protecting environmental assets.
- Stage 3 (consultation late 2017/early 2018): Final Plan.

The Strategic Growth Statement

22. The draft Strategic Growth Statement has the following chapter headings:

- Why We Are Preparing a Strategic Plan
- Changing Context
- Leicester and Leicestershire Today
- Vision and objectives
- Preparing the Strategic Growth Plan
- Next Steps

Consultation

23. The Strategic Growth Statement will be published for consultation at the end of July 2016. It will contain plans and graphics to enhance the meaning of the text, and will include branding which will be used throughout the preparation of the Strategic Growth Plan. An analysis of consultation responses will be reported to the MAG and constituent partner organisations as part of the preparation of a Draft Strategic Growth Plan.

Equality and Human Rights Implications

24. There are no equality and human rights implications arising from the recommendations in this report. An Equality and Human Rights Impact Assessment (EHRIA) is to be undertaken at key stages in the preparation of the Strategic Growth Plan. An initial EHRIA will be undertaken on the Strategic Growth Statement, and the outcomes will be reported to a future Cabinet and Scrutiny Commission.

Environmental Implications

25. A Sustainability Appraisal/ Strategic Environmental Assessment/ Habitats Regulation Assessment is to be undertaken, and will inform the preparation of the Strategic Growth Plan.

Background Papers

None.

Appendix

Draft Strategic Growth Statement

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