

CABINET - 9TH MARCH 2018

LEICESTER AND LEICESTERSHIRE STRATEGIC GROWTH PLAN CONSULTATION DRAFT

REPORT OF THE CHIEF EXECUTIVE

Purpose of the Report

1. The purpose of this report is to enable the Cabinet to consider the Consultation Draft Strategic Growth Plan (known hereafter as the draft SGP), and to recommend a County Council response. The draft SGP is attached as Appendix A to this report.

Recommendation

- 2. It is recommended that:
 - (a) The Consultation Draft Strategic Growth Plan be welcomed as a key, longterm strategy for the future development and prosperity of Leicester and Leicestershire;
 - (b) The detailed comments on the draft SPG as set out in paragraphs 33 to 36 be submitted to the Members Advisory Group (MAG) for its consideration in finalising the Plan;
 - (c) The Director for Environment and Transport, following consultation with the Cabinet lead member, be authorised to agree a joint statement on the findings of the strategic transport assessment with Leicester City Council if it is decided that this is required.

Reasons for Recommendation

- 3. To express the Cabinet's support for the content of the Consultation Draft Strategic Growth Plan;
- 4. To enable the Cabinet to suggest detailed improvements to the content of the draft SGP.
- 5. The County and Leicester City highway authorities may prepare a joint statement on the findings of the strategic transport assessment, which would sit alongside it as part of the suite of SGP supporting documents.

Timetable for Decisions (including Scrutiny)

- 6. The Scrutiny Commission considered the draft SGP on 7 February 2018 (paragraphs 37 to 39 of this report below and Appendix B refers).
- 7. Comments on the draft SGP must be made by 5 April 2018. The Members Advisory Group will then consider the responses submitted as part of the consultation exercise and will subsequently be recommended to endorse a final Strategic Growth Plan for formal consideration and approval by each of the local authorities represented on the MAG (including the County Council) in the autumn of 2018.

Policy Framework and Previous Decisions

- 8. In June 2016, the Cabinet approved the Strategic Growth Statement for consultation. This formed the first part in the development of the SGP. The Statement set out the rationale and proposed process for preparation of the SGP, identified the defining characteristics of the local area and challenges faced by local authorities, outlined the evidence base and spatial options to be considered in formulating an SGP, and set out initial objectives and ambitions for the future.
- 9. The Consultation Draft Strategic Growth Plan was considered and endorsed by the Members Advisory Group on 6 November 2017.
- In November 2017 the Cabinet approved the consultation process for the Consultation Draft Strategic Growth Plan. A 12-week consultation period began on 11 January 2018 and is due to close on 5 April 2018.

Resource Implications

11. There are no immediate resource implications for the Council as support for the development of the Plan is being resourced through existing staffing and operational budgets. The long-term delivery of the SGP will be dependent on resources being secured to finance key infrastructure including transport schemes.

Circulation under the Local Issues Alert Procedure

12. 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

- 13. The report to the Cabinet in November 2017 set out the background to the development of the draft SGP, including the abolition of regional spatial strategies by the Government in 2010 and the resulting need for local planning authorities to consider strategic planning within the context of the 'duty to cooperate' required by the Localism Act 201.
- 14. In Leicester and Leicestershire it was decided by the local planning authorities that long-term strategic planning would be more effective if undertaken across the City and County and to include the local enterprise partnership, the LLEP, as a partner.
- 15. The draft SGP has therefore been prepared jointly by the eight local planning authorities (district councils), the County Council as the highway authority, the City Council as a unitary authority with combined planning and highways responsibilities. Each of these is represented on a Members Advisory Group (the MAG) which, supported by senior officers, has overseen the preparation of the draft SGP. The LLEP attends the MAG in an observer capacity; Homes England (formerly the Homes and Communities Agency) attends the senior officer group in an observer capacity.
- 16. The SGP will -
 - (a) Support partners to plan effectively for the future, giving Local Plans a consistent framework and helping to make decisions on infrastructure and secure Government funding.
 - (b) Give some control over accommodating and supporting future growth and help to protect and enhance environmental assets.
 - (c) Provide confidence to the market, the Government, local businesses and residents that the local councils and the LLEP are working together to improve the area.
- 17. There are risks in not having a Strategic Growth Plan, for example that development would be unplanned and lack the necessary infrastructure and the 'duty to co-operate' might not be met.
- 18. As the draft SGP has been developed, a number of events have been held for County Council Members to keep them advised of progress. This has included all-member briefings on the Strategic Growth Statement in June 2016 and on the Housing and Economic Development Needs Assessment (HEDNA) in September and November 2017, and a report to the Scrutiny Commission on 7 February 2018.

Consultation Draft Strategic Growth Plan

- 19. The draft SGP sets out a strategy for the growth and development of Leicester and Leicestershire in the period to 2050, enabling partners to consider the longer term needs of the area and opportunities which might extend beyond the conventional timeframe of a Local Plan. The MAG considered the distribution of housing and employment land over 2011-2031 and 2011-2036 in order to give a more detailed framework for Local Plans.
- 20. There has been ongoing dialogue with organisations such as Network Rail and Midlands Connect to ensure that their emerging policies and proposals are incorporated in emerging plans, strategies, and funding programmes where necessary.

Key Elements of the Draft SGP

- 21. The draft SGP proposes that more development will take place in major strategic locations with less development happening in existing towns, villages and rural areas, in so doing to focus development along transport corridors and close to employment centres.
- 22. Five principal building blocks have been used to prepare the draft SGP:
 - i. The existing settlement pattern.
 - ii. Understanding of national policies.
 - iii. Understanding of the local economy and how it is supported by the Midlands Engine Strategy.
 - iv. Understanding of the local road and rail networks and how they are supported by proposals in the Midlands Connect Strategy.
 - v. Recognition of the environmental, historic and other assets.
- 23. Four priorities are identified:
 - i. Creating conditions for investment and growth.
 - ii. Achieving a step change in the way that growth is delivered.
 - iii. Securing essential infrastructure.
 - iv. Delivering high quality development.
- 24. Analysis has indicated that through existing and emerging Local Plans and planning permissions provision can be made for the amount of new housing needed in the area to 2031. This will be achieved through a mixture of major strategic sites already identified in Local Plans (approximately 40%) and smaller scale growth on non-strategic sites (approximately 60%). The proposed new spatial distribution of strategic development, therefore, does not need to focus on this time period.
- 25. Beyond 2031 it is proposed that provision for more growth is made in strategic locations. This requires new strategic infrastructure to open up sites for development, and the Midlands Connect Strategy (setting out key transport priorities for the East and West Midlands) lays the foundations for this.

Proposed Growth Areas

- 26. The proposed growth areas set out in the draft SGP are as follows:
 - a) **Primary Growth Areas**: The A46 growth corridor (supported by the 'expressway' proposal for the A46 contained within the Midlands Connect Strategy), and Leicester (our 'Central City');
 - b) **Secondary Growth Areas**: The Northern Gateway, and the Southern Gateway;
 - c) **Key Centres**: Melton Mowbray and Lutterworth;
 - d) **Areas of managed growth in Local Plans**: Coalville, Hinckley, Loughborough and Market Harborough.
- 27. In villages and other rural areas the draft SGP proposes limited growth in the future; only that which is consistent with providing for local needs.

Consultation

- 28. The consultation exercise will close on 5th April following which all consultation responses will be reported to the MAG and consideration will be given to amending the draft SGP.
- 29. It is expected that the final version of the Strategic Growth Plan will be presented to the MAG for consideration in summer/early autumn 2018 and subject to it being supported, would then be submitted to the partner authorities for approval.
- 30. At the County Council this will involve the Cabinet being asked to consider and approve the final SGP and in doing that the Cabinet will be advised on the comments made during the consultation exercise.

Transport evidence update

- 31. A key role for the County Council in supporting the development of the SGP is the preparation of transport evidence.
- 32. A strategic transport assessment is being prepared to support the draft SGP; it is expected to be published shortly. The assessment is intended to provide a first stage, high-level indication of the potential transport implications of the draft SGP spatial proposals (taking into account the Midlands Connect strategic infrastructure). It is possible that the County and Leicester City highway authorities may prepare a joint (public) statement on the findings of the strategic transport assessment, and that would sit alongside it as part of the suite of SGP supporting documents. In the event that this is the case, it is proposed that the contents of any statement be agreed with and approved by the Director for Environment and Transport, following consultation with the Cabinet lead.

Proposed Comments on the Draft SGP

- 33. The draft SGP provides a clear, high-level, and long-term framework for guiding the quantum and distribution of future growth in Leicester and Leicestershire. Officers across the Council, including those leading on transport, education, adults and communities, and environmental issues have contributed to the development of the draft SGP and there is support for the spatial strategy it proposes. Officers will continue to contribute to the further development and implementation of the Plan.
- 34. It is important to note that the figures within the draft SGP are not set in stone, especially for the period beyond 2031. New evidence will come forward and will require changes to the figures included in the draft SGP. The amount of growth required might be more or less than the 185,000 dwellings proposed by 2050. However, it can be said with some confidence that Leicester and Leicestershire will need that many homes at some point in the medium to long term. The key point is that by planning for the long term on the basis of the evidence currently available, it is possible to put a strategy in place that enables future housing requirements to be met in ways which support economic growth, protect environmental assets, and create communities well served by infrastructure.
- 35. The long-term implementation of the Strategic Growth Plan will require its effective translation into more detailed policies and proposals in local plans and for future strategies and plans across a range of issues to set out how they will support its successful delivery. In preparing its own plans for transport, waste, the environment, climate change, social care services, education and other services the Council will need to take full account of the requirement to support the long-term growth proposed in the SGP. Other partners will need to do likewise including, for example, in relation to health services. Across the Council, officers have provided information on the issues which will need to be addressed in this complementary long-term planning activity.
- 36. The Strategic Growth Plan will provide a framework within which this policy development can be progressed. By focusing on four key matters (housing, employment, infrastructure, and protection of key environmental assets) the Plan quantifies the amount of growth that is likely to take place and proposes a spatial framework which is consistent with other key documents also influenced and supported by the County Council (e.g. Midlands Engine and Midlands Connect Strategies, the emerging Strategic Transport Plan, and the emerging Local Industrial Strategy). The garden cities concept, which embeds social, economic and environmental considerations within its remit provides the vehicle for developing these policy strands and will allow the Leicester and Leicestershire authorities to adopt a holistic approach to implementation.

Scrutiny Commission comments

- 37. Scrutiny Commission considered a report on the draft SGP on 7 February. It also invited and received written representations from the Campaign for the Protection of Rural England, Shelter Housing Aid and Research Project, and the Council's Public Health Department.
- 38. The Scrutiny Commission was broadly supportive of the principle of having a Strategic Growth Plan, to prevent unplanned growth which damaged the character of local areas and lacked infrastructure. The proposals were felt to be sensible and it was thought that a long-term vision would benefit the local area. The proposed locations for strategic growth were generally supported. Key points raised during the discussion included:-
 - The need for new housing developments to be accessible and affordable, near to facilities and near to places of employment;
 - The need for a flexible approach to the Plan, including to enable issues such as connectivity to be reconsidered in the light of new technology developments which could have an impact on commuting and employment patterns;
 - The need for consultation and engagement with elected members and the public as proposals are developed and move closer to delivery.
- 39. The Commission asked for the written representations it received from Shelter Housing Aid and Research Project (SHARP), the Campaign to Protect Rural England (CPRE) and the Public Health Department to be forwarded to the Cabinet. These are attached at Appendix B.

Equality and Human Rights Implications

- 40. By seeking to ensure economic growth is secured and an appropriate provision of market and affordable homes is made, the implementation of the Strategic Growth Plan can contribute to meeting the needs of disadvantaged groups.
- 41. An Equality and Human Rights Impact Assessment (EHRIA) has been undertaken. The outcomes of the most recent assessment are available to view as part of the consultation process. The assessment considers a number of options for the spatial distribution of growth within Leicester and Leicestershire, including that of the Draft Plan. It is clear that different options have the potential to impact, in different ways, on matters such as age, disability, race, religion or belief (some positive, some negative and some neutral). Other matters are not likely to be affected. As this is a high-level plan, however, the responsibility for mitigating any adverse impacts upon individuals or community groups will fall to statutory plans, primarily Local Plans prepared by individual authorities. In most cases, it will be important to ensure that specific infrastructure and services are planned effectively to deal with the specific needs of these groups. The EHRIA ensures that the partner organisations are aware of the various impacts of the Draft Plan and enables them to put in place any necessary mitigating measures and/or enhancements.

Environmental Implications

- 42. A Sustainability Appraisal (incorporating Strategic Environmental Assessment) has been undertaken together with a Habitats Regulations Assessment. The outcomes are available to view as part of the consultation process. The SA concludes that the Draft Plan has the potential to deliver significant positive effects in relation to health and wellbeing; housing; and economy and employment. Minor positive effects are reported in relation to climate change and cultural heritage (although in the case of the latter, minor negative effects as well). Minor negative effects are reported in relation to water; and moderate negative effects in relation to landscape and land. Mixed effects are reported in relation to transport and travel, i.e. significant positive effects in relation to the focusing of development in strategic locations and minor negative effects in relation to potential congestion on nearby routes. Uncertain negative effects are recorded in relation to biodiversity and minerals. Where significant effects are identified, measures to mitigate these have been suggested, if possible. Further measures to enhance the positive effects have also been suggested, where possible.
- 43. The SA reports that the findings broadly support the preferred strategy as it would generate the most benefits in terms of employment and housing growth. It reports that the focus of growth at key areas of economic growth and infrastructure capacity is also likely to reduce the length of car trips, and encourage sustainable modes of travel (particularly where there are strong rail and bus links into the City). It also states that, in terms of environmental effects, the preferred approach does not generate any major negative effects and performs better or the same as the alternatives in this respect.
- 44. The SA acknowledges that the role of the Strategic Growth Plan is to establish broad preferred locations for longer term growth and thus to provide a framework for statutory local plans. It states that the broad locations would evidently be able to accommodate a range of different growth levels, so if subsequent work based on updated evidence confirms that a higher level of growth ought to be pursued in certain locations, then this can be considered at that stage and the impacts analysed accordingly. The SA notes that, at this stage, a higher level of growth (than the notional projected housing requirement) will have largely negative impacts. This is supported by the SA findings which suggest that the negative effects for every option would be likely to increase, and this could lead to major negative effects on the built and natural environment, water, and transport infrastructure.

Background Papers

Report to Scrutiny Commission on 7 February 2018 – Leicester and Leicestershire Strategic Growth Plan - Consultation Draft http://politics.leics.gov.uk/ieListDocuments.aspx?Cld=137&Mld=5359

Report to the Cabinet on 24 November 2017 – Leicester and Leicestershire Strategic Growth Plan – Consultation arrangements http://politics.leics.gov.uk/ieListDocuments.aspx?Cld=135&Mld=4865

Report to the Cabinet on 17 June 2016 – Leicester and Leicestershire Strategic Growth Plan – Strategic Growth Statement http://politics.leics.gov.uk/ieListDocuments.aspx?Cld=135&Mld=4603&Ver=4

Appendices

Appendix A - Consultation Draft Strategic Growth Plan

Appendix B - Extract from the minutes of the Scrutiny Commission meeting held on 7 February 2018 and written representations considered by the Commission from: Shelter Housing Aid and Research Project, the Campaign to Protect Rural England, and the Public Health Dept.

