



## **SCRUTINY COMMISSION: 31 OCTOBER 2018**

### **LEICESTER AND LEICESTERSHIRE STRATEGIC GROWTH PLAN - CONSIDERATION OF REVISED PLAN FOR APPROVAL**

#### **REPORT OF THE CHIEF EXECUTIVE**

##### **Purpose of the Report**

1. The purpose of this report is to enable Members to consider the revised Leicester & Leicestershire Strategic Growth Plan (the revised SGP) which is attached as Appendix A to this report.

##### **Policy Framework and Previous Decisions**

2. On 15 June 2016, the Scrutiny Commission considered the Strategic Growth Statement for consultation and its key comments on the document were forwarded to the Cabinet. Key points raised during the discussion included:
  - More detailed information around the distribution of growth and development would be contained in stages 2 and 3 of the process which would be considered later in the year and through to late 2017;
  - The Commission would also consider the Memorandum of Understanding following completion of the Housing and Economic Development Needs Assessment which would help to inform housing numbers in the County;
  - The SGP would require the agreement of the executives of the County and districts and the City Mayor;
  - That it would be challenging to continue to support growth and ensure the adequate support of transport infrastructure, which was known to already to be beyond capacity; and
  - That further consideration should be given to the importance of green wedges as part of this work.
3. On 17 June 2016, the Cabinet approved the Strategic Growth Statement for consultation. This formed the first stage 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 the partners;
  - Outlined the evidence base that would be assembled and the generic spatial options to be considered in formulating a SGP, and
  - Set out initial objectives and ambitions for the future.

4. On 8 March 2017, the Scrutiny Commission considered the Strategic Growth Plan Joint Statement of Co-operation and its key comments on the document were forwarded to the Cabinet. It was resolved that the Statement be supported in principle, but that the Cabinet be advised that concerns remain around the expected housing shortfall in the City and how this may then be re-distributed to the districts. Key points raised during the discussion included:
  - Full sign up to the Statement by local authority partners would strengthen its status. The Statement set out the latest evidence on housing needs and housing land capacity but did not commit partners to any housing provision figures. It was known, however, that local planning authorities were taking account of the evidence in the Housing and Economic Development Needs Assessments (HEDNA) and that this evidence would be tested through the local plans process. It was acknowledged that all authorities were at different stages of this process;
  - It was felt that the approach being taken by the County Council to support the development of the Strategic Growth Plan was pragmatic as it would assist housing growth to be planned in a sustainable way, and also ensure the Council fulfilled its 'duty to co-operate'; and
  - The City Council was not expecting to be able to meet its objectively assessed need for housing requirement for housing growth and it was expected therefore that this would have implications for the housing figures for the districts.
5. On 10 March 2017, the Cabinet approved the Joint Statement of Co-operation Relating to Objectively Assessed Need for Housing. The Statement:
  - Confirmed the commitment of partner organisations (the seven district councils of Leicestershire, Leicester City Council, Leicestershire County Council, and the Leicester and Leicestershire Enterprise Partnership) to collaborative working; and
  - Ensured that all partners demonstrated commitment to providing for their objectively assessed housing needs and a collaborative approach to be taken to resolve the provision of any unmet need.
6. A Consultation Draft SGP was considered and endorsed by the Members' Advisory Group (MAG) on 6 November 2017. It was subsequently approved for the purpose of public consultation by Cabinet on 24 November 2017. A 17 week consultation period began on 11 January 2018 and closed on 10 May 2018.
7. On 7 February 2018 the Scrutiny Commission considered the Consultation Draft SGP, and its key comments on the document were forwarded to the Cabinet with written representations considered by the Commission from: Shelter Housing Aid and Research Project (SHARP), the Campaign to Protect Rural England (CPRE), and the Council's Public Health Department.

8. 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.
9. The Cabinet took the views of the Scrutiny Commission into account when forming its response to the consultation at a meeting on 9 March 2018. The recommendations were agreed (see Appendix D) on 24 September 2018. The MAG endorsed the revised SGP ahead of its consideration through the formal governance processes of the City, County and District Councils.

## **Background**

10. The report to Cabinet on 17 June 2016 set out the background to the development of the draft SGP including the revocation of regional spatial strategies by the government in 2012 and the resulting need for local planning authorities to consider strategic planning within the context of the 'duty to co-operate' required by the Localism Act 2011.
11. In Leicester & Leicestershire, it was decided by the local planning authorities that long term strategic planning would be more effective if undertaken across the City and the County, and included the local enterprise partnership, the LLEP, as a partner.
12. The SGP has, therefore, been prepared jointly by the seven local planning authorities in the county, the County Council as the highway authority and the City Council as a unitary authority with combined planning and highways responsibilities. Each of these is represented on a Members' Advisory Group (MAG) which, supported by senior officers, has overseen the preparation of the Plan. The LLEP attends MAG in the capacity of an observer. Homes England (formerly the Homes & Communities Agency) attends the senior officer group in the capacity of an observer.
13. The SGP will:
- support partners to plan effectively for the future, giving Local Plans a consistent framework, help to make decisions on infrastructure and secure Government funding;

- give some control over accommodating and supporting future growth and help to protect and enhance environmental assets; and
- provide confidence to the market, Government, local businesses and residents that the local councils and the LLEP are working together to manage the growth of the area in a plan-led and co-ordinated manner.

14. There are risks in not having a SGP and these are summarised in Appendix C.
15. As the SGP has been developed, a number of events have been held for Members to keep them advised of progress. This has included all-Member briefings on the SGP on 10 June 2016, 27 September 2017, 1 November 2017 and 12 September 2018.

*Key elements of the SGP*

16. The SGP sets out a strategy for the growth and development of Leicester & Leicestershire in the period to 2050, enabling partners to consider the longer term needs of the area and opportunities which extend beyond the conventional timeframe of a Local Plan. The MAG considered the distribution of housing and employment land over the period 2011-31 and 2011-36 in the context of the Housing and Economic Development Needs Assessment (January 2017) in order to give a more detailed framework for shorter term Local Plans.
17. There have been on-going discussions 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.
18. The SGP proposes that most development will take place in major strategic locations with less development happening in existing towns, villages and rural areas; in so doing, it allows new development to be focused along transport corridors and close to employment centres.
19. The five building blocks that have been used to prepare the Plan are an understanding and appreciation of:
- the existing settlement pattern;
  - national policies, particularly in relation to planning, housing and infrastructure provision;
  - the local economy and how it is supported by the Midlands Engine Strategy (March 2017);
  - road and rail networks and the proposals and priorities of the Midlands Connect Strategy (March 2017), and
  - the area's environmental, historic and other assets.
20. Four priorities are identified in the SGP:
- creating conditions for investment and growth;
  - achieving a step change in the way that growth is delivered;

- securing essential infrastructure;
  - delivering high quality development.
21. 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 but it remains an important part of the plan e.g. we wish to accelerate the delivery of consented and allocated sites and we need to secure the infrastructure which is essential to their success.
22. Beyond 2031, the SGP proposes that more growth should be directed to strategic locations. This requires new strategic infrastructure to open up land 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*

23. The proposed growth areas are:
- Leicester City;
  - the A46 Growth Corridor;
  - the Leicestershire International Gateway;
  - the A5 Improvement Corridor;
  - the Melton Mowbray Key Centre for Regeneration and Growth.
24. Coalville, Hinckley, Loughborough, Lutterworth and Market Harborough are identified as areas where growth would be managed in Local Plans.
25. In the villages and rural areas, the SGP proposes that there will be limited growth consistent with providing for local needs.

#### *Public Consultation*

26. A 17-week consultation period took place from 11 January-10 May 2018. Activities included:
- press releases, periodic media coverage;
  - emails/letters to statutory consultees;
  - emails/letters to organisations and groups identified by partners;
  - public exhibitions;
  - copies of the Draft SGP and summary leaflets;
  - paper copies of questionnaires and all evidence at main offices;
  - SGP website;
  - links to the SGP website from partner websites;
  - social media messages.

27. A total of 588 responses were received, 79% of which were from members of the public. These comments have been analysed and considered during the preparation of the revised SGP. A summary of key changes is attached as Appendix B.
28. An 'All Member' presentation was held on 12 September 2018 on the consultation responses received on the Consultation Draft SGP and proposed changes to the SGP.
29. In line with the Statement of Community Involvement, those respondents who provided contact details have been informed that a revised plan has been prepared. The opportunity for further comment will take place during governance and/or the preparation of Local Plans.

### **Equality and Human Rights Implications**

30. By seeking to ensure that economic growth is secured, and appropriate provision for market and affordable homes is made, the implementation of the SGP can contribute to meeting the needs of disadvantaged groups across Leicester & Leicestershire.
31. An Equalities & Human Rights Impact Assessment (EqHRIA) has been undertaken (Appendix E). The outcomes of the assessment are available to view in a report which supports the SGP. The assessment considers a number of options for the spatial distribution of growth within Leicester & Leicestershire, including that of the SGP. 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.
32. As this is a high-level strategic plan, however, the responsibility for mitigating any adverse impacts upon individuals or community groups will fall to subsequent 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 EqHRIA ensures that the partner organisations are aware of the various impacts of the SGP and enables them to put in place any necessary mitigating measures and/or enhancements.

### **Environmental Implications**

33. A Sustainability Appraisal (SA) (incorporating Strategic Environmental Assessment) (SEA) has been undertaken together with a Habitats Regulations Assessment (HRA). The outcomes are available to view in a report supporting the SGP. The SA concludes that the SGP has the potential to deliver significant positive effects in relation to health and well-being; 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 are also reported 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.

34. 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 of Leicester). 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.
35. The SA acknowledges the role of the SGP in establishing broad preferred locations for longer term growth 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. 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.

### **Resource Implications**

36. 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 the necessary resources being secured to finance the delivery of key infrastructure required to enable the delivery of the SGP. It will be important that such infrastructure is delivered in parallel with the growth outlined in the SGP.

### **Timetable for Decisions**

37. The revised SGP was endorsed by MAG on 24 September 2018, and individual authorities are being recommended to approve the revised SGP at a series of governance events during autumn/winter 2018.
38. The Cabinet will consider the revised SGP at its meeting on 23 November 2018. Subject to comments from the Scrutiny Commission, Cabinet will be recommended to approve the revised SGP and that the Chief Executive following consultation with the Leader of the Council, be authorised to agree,

prior to publication, any final minor amendments to the SGP which do not significantly change the overall content or purpose of the document.

### **Circulation under the Local Issues Alert Procedure**

39. A copy of this report will be circulated to all members under the Members' Digest service.

### **Background Papers**

Report to Cabinet on 9 March 2018 – Leicester and Leicestershire Strategic Growth Plan – Consultation Draft

<http://politics.leics.gov.uk/documents/s136178/Consultation%20Draft%20SGP%20report%20final.pdf>

Report to Scrutiny Commission on 7 February 2018 – Leicester and Leicestershire Strategic Growth Plan - Consultation Draft

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=5359>

Report to the Cabinet on 10 March 2017 – Leicester and Leicestershire Strategic Growth Plan: Joint Statement of Co-operation

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4859&Ver=4>

Report to Scrutiny Commission on 8 March 2017 – Leicester and Leicestershire Strategic Growth Plan: Joint Statement of Co-operation

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=4915&Ver=4>

Report to the Cabinet on 24 November 2017 – Leicester and Leicestershire Strategic Growth Plan – Consultation arrangements

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=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?CId=135&MId=4603&Ver=4>

Report to Scrutiny Commission on 15 June 2016 – Leicester and Leicestershire Strategic Growth Plan – Strategic Growth Statement

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=4539&Ver=4>

### **Appendices**

Appendix A – Revised Strategic Growth Plan

Appendix B – Summary of key changes from Consultation Draft Plan

Appendix C – Risk assessment

Appendix D – Minutes from the Cabinet 9 March 2018

Appendix E - Equalities & Human Rights Impact Assessment



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