



CABINET – 23RD NOVEMBER 2018

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

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of the Report

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

Recommendations

2. It is recommended that:
 - (a) The Strategic Growth Plan (SGP) “*Leicester and Leicestershire 2050: Our Vision for Growth*” be approved;
 - (b) The Chief Executive (or equivalent) of each SGP partner authority, following consultation with the Leader of that authority and the Joint Strategic Planning Manager, 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; and
 - (c) The Members’ Advisory Group be thanked for its work on the preparation of a long-term strategy for the future development and prosperity of Leicester and Leicestershire.

Reasons for Recommendation

3. Approval of the SGP will put in place a key long-term strategy for the future development and prosperity of Leicester and Leicestershire.
4. The revised SGP is being submitted to each participating authority for approval during the autumn/early winter and it is likely that, during this process, the need for some minor changes will be identified. Enabling the Chief Executive (or equivalent) to make such amendments following consultation with the Leader and Joint Strategic Planning Manager (JSPM) will avoid unnecessary delay. The JSPM reports to all partner organisations and acts on behalf of the Members’ Advisory Group (MAG).

5. The MAG, comprising representatives from each of the District Councils, the County Council and Leicester City Council (with the LLEP as an observer), has overseen the preparation of the SGP over the past three years

Timetable for Decisions (including Scrutiny)

6. The Scrutiny Commission considered the revised SGP on 31 October 2018 and an extract from the minutes of that meeting is attached to this report as Appendix D.
7. The revised SGP was endorsed by the MAG on 24 September 2018, and individual authorities recommended to approve the revised SGP via the appropriate member processes during autumn/winter 2018.

Policy Framework and Previous Decisions

8. 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.
9. 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.
10. The Consultation Draft SGP was endorsed by the MAG on 6 November 2017 and subsequently approved for the purpose of public consultation by the Cabinet on 24 November 2017. A 17-week consultation period began on 11 January 2018 and closed on 10 May 2018.
11. On 9 March 2018, the Cabinet considered its response to the consultation and resolved that:
 - The Consultation Draft Strategic Growth Plan be welcomed as a key, long-term strategy for the future development and prosperity of Leicester and Leicestershire;

- The detailed comments on the draft Strategic Growth Plan as set out in paragraphs 33 to 36 of the report be submitted to the Members Advisory Group for its consideration in finalising the Plan.
- The Director of 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.

Resource Implications

12. There are no immediate resource implications for the Council arising from the recommendations in this report 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 in parallel with the growth outlined in the SGP.

Circulation under the Local Issues Alert Procedure

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

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PART B

Context

14. The report to the Cabinet in June 2016 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 co-operate*' required by the Localism Act 2011.
15. 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.
16. The SGP has, therefore, been prepared jointly by the district councils as local planning authorities, 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 the MAG which, supported by senior officers, has overseen the preparation of the Plan. The LLEP attends MAG meetings as an observer. Homes England (formerly the Homes and Communities Agency) attends the senior officer group that supports the MAG in the capacity of an observer.
17. 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.
 - 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.
18. There are risks in not having a SGP, summarised in Appendix C to this report. These include the danger of ad-hoc and piecemeal development unsupported by the necessary infrastructure, failure to deliver on housing requirements, and delays in the preparation of Local Plans.
19. As the SGP has been developed, a number of events have been held for Members to keep them advised of progress including all-Member briefings which took place on 10 June 2016, 27 September 2017, 1 November 2017 and 12 September 2018.

Key elements of the SGP

20. The 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 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 which are produced by the districts and City Council as local planning authorities (the County Council is the local planning authority for minerals and waste).

21. There have been ongoing 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.
22. 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.
23. The five building blocks that have been used to prepare the Plan are an understanding and appreciation of:
 - (i) the existing settlement pattern;
 - (ii) national policies, particularly in relation to planning, housing and infrastructure provision;
 - (iii) the local economy and how it is supported by the Midlands Engine Strategy (March 2017);
 - (iv) road and rail networks and the proposals and priorities of the Midlands Connect Strategy (March 2017); and
 - (v) the area's environmental, historic and other assets.
24. Four priorities are identified in the SGP:
 - (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.
25. 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 SGP, i.e. partners wish to accelerate the delivery of consented and allocated sites and need to secure the infrastructure which is essential to their success.
26. 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

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

Public Consultation

30. Public consultation took place over 17 weeks, from 11 January to 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
 - distribution of copies of the Draft SGP and summary leaflets
 - distribution of paper copies of questionnaires and all evidence at main local authority offices
 - information on the SGP website
 - links to the SGP website from partner websites
 - social media messages.
31. 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 given in Appendix B. These include:
- New text on the revised National Planning Policy Framework;
 - New text and plan relating to environmental, historic and other assets;
 - The Northern Gateway redefined and identified as 'The Leicestershire International Gateway';
 - The Southern Gateway deleted and replaced with 'A5 Improvement Corridor';
 - Lutterworth deleted as 'Key Centre for Growth' and re-designated as an 'Area of Managed Growth in Local Plans';
 - Amended housing allocations: reduced by 2000 dwellings in Harborough; increased by 800 dwellings in Melton; increased by 1200 dwellings in North West Leicestershire.

32. In line with the Statement of Community Involvement, those respondents who provided contact details have been informed that a revised SGP has been prepared. The opportunity for further comment will take place during governance and/or the preparation of Local Plans.

Views of the Scrutiny Commission

33. Scrutiny Commission considered a report and a presentation on the revised SGP at its meeting on 31 October 2018. It also received a submission from the Campaign for the Protection of Rural England.
34. Issues raised by the Scrutiny Commission included the response rate to the consultation, the advisability of further growth in areas currently experiencing congestion, the impact of development elsewhere on the County, and the need to consider transport issues and green space in more detail at Local Plan level. A minute extract is attached to this report as Appendix D. Members asked in particular that the Cabinet be advised that the Commission considered that arrangements for the future review of the SGP should be incorporated in the approved Plan.

Equality and Human Rights Implications

35. 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 and Leicestershire.
36. An Equalities and Human Rights Impact Assessment (EHRIA) has been undertaken and the report is attached as Appendix E. The assessment considers a number of options for the spatial distribution of growth within Leicester and Leicestershire, including that of the SGP. It is clear that different options have the potential to have an impact, in different ways, on matters such as age, disability, race, religion or belief (some positive, some negative and some neutral).
37. As the SGP 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 the 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 particular needs of these groups. The EHRIA 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

38. 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.

39. The SA reports that the findings broadly support the preferred SGP 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.
40. 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.

Background Papers

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&MIId=4603&Ver=4>

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&MIId=4859&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&MIId=4865>

Report to the Cabinet on 9 March 2018: Leicester and Leicestershire Strategic Growth Plan - Consultation Draft, and minutes of that meeting

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

Report to the Scrutiny Commission on 31 October 2018: Leicester and Leicestershire Strategic Growth Plan - Consideration of Revised Plan for Approval, and minutes of that meeting

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MID=5654#AI57552>

SGP Sustainability Appraisal/Strategic Environmental Assessment (SA/SEA) and Habitats Regulations Assessment (HRA)

<http://www.llestrategicgrowthplan.org.uk/the-plan/stage-three/>

Appendices

Appendix A: Revised Strategic Growth Plan

Appendix B: Summary of key changes from Consultation Draft Plan

Appendix C: Risk Assessment

Appendix D: Minute extract - Scrutiny Commission meeting held on 31st October 2018

Appendix E: Equalities and Human Rights Impact Assessment

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