

**EAST MIDLANDS REGIONAL PLAN
THREE CITIES SUB-REGIONAL STRATEGY
HOUSING JUSTIFICATION PAPER – LEICESTER AND LEICESTERSHIRE
HMA**

INTRODUCTION

1. This paper sets out the justification for the advice on housing provision in the Leicester and Leicestershire Housing Market Area provided by Leicestershire County Council and Leicester City Council to the East Midlands Regional Assembly, to be published for consultation between September and December 2006. The advice will be reflected in the Draft Regional Plan
2. The Regional Assembly's Joint Housing, Transport and Planning Board has agreed an overall Regional Approach to Selecting Land for Development, which appears as Policy 2 of the Draft Regional Plan. Policy 2 sets out a priority order for the selection of land for development, suggests that in assessing the suitability of sites for development, priority should be given to making best use is made of previously-developed land and vacant and under-used buildings and sets out development criteria that should also be considered. This provides an over-arching context for this Sub-Regional Strategy.

PREFERRED OPTION

3. The Joint Housing, Transport and Planning Board also agreed a Preferred Option for Housing Provision, which sets out the strategic approach to housing provision in each Housing Market Area (HMA) in the Region and "benchmark" housing provision - in dwellings per annum - for each HMA in order to deliver this strategy - Derby HMA 1,770, Leicester and Leicestershire HMA 3,790 and Nottingham Core HMA 2,370.
4. This Preferred Option also provides the over-arching context for the Sub-Regional Strategy, indicating that in the Leicester and Leicestershire HMA the strategy should be based on:
 - strengthening the role of Leicester as a Principal Urban Area through urban intensification and planned and sustainable urban extensions;
 - strengthening the sub-regional roles of Coalville, Melton Mowbray, Loughborough, Hinckley and Market Harborough;
 - meeting affordable housing needs in surrounding rural areas in a way that promotes a more sustainable pattern of development.

CHOICES

5. Building on the strategic context set out above housing strategies for each HMA were devised, firstly by developing "choices" within that context, evaluating those choices by reference to locally-relevant

criteria and drawing conclusions in terms of housing provision at district level and in some cases within districts, where this was considered strategically justified.

6. For Leicester and Leicestershire HMA the following “Choices” were considered

Choice 1: Leicester focus with emphasis on regeneration

- Significant emphasis on regeneration in Leicester with significant urban extensions.
- Complemented by development of a lesser scale in Loughborough, Melton Mowbray, Market Harborough, Hinckley and Coalville.
- Emphasis on providing for local needs elsewhere

Choice 2: Leicester focus, regeneration in Loughborough, Hinckley and Coalville

- Emphasis on regeneration in Leicester with planned urban extensions.
- Likely to entail development to support regeneration in Loughborough, Hinckley, and Coalville.
- Less new development in Melton Mowbray and Market Harborough.
- Emphasis on providing for local needs elsewhere.

Choice 3: Smaller Leicester focus and stronger focus on Loughborough, Melton Mowbray, Market Harborough, Hinckley and Coalville

- Emphasis on regeneration in Leicester with some urban extensions
- Likely to entail planned urban extensions to some / all of Loughborough, Melton Mowbray, Market Harborough, Hinckley and Coalville.
- Emphasis on providing for local needs elsewhere

Choice 4: Smaller Leicester focus and stronger focus on towns as above, complemented by a lesser focus on Ashby de la Zouch, and Lutterworth

- More dispersed pattern of development
 - Possibility of new settlement(s)
7. The above “Choices” were considered against the factors set out in Policy 2 of the Regional Plan, the overall factors underlying the regional Preferred Option for Housing Provision and the specific points the Preferred Option indicated should form the basis for the HMA. They were also presented at a consultation event held in Loughborough on 13th June 2006.
 8. On the basis of this analysis, and having regard to the initial guidance provided by EMRA, it was concluded that Choices 1 and 4 could be

excluded from further consideration. Further thought was therefore given to Choices 2 and 3.

9. Choices 2 and 3 would both provide a significant degree of concentration on Leicester as the Principal Urban Area, particularly bearing in mind the high proportion of the Leicester and Leicestershire HMA supply that is already located in the PUA. Choice 2 would mean that about 1,800 dwellings per year would be located in the PUA, Choice 3 would represent about 1,400 dwellings per year. Compared to development over the 1991-2005 period, both choices involve greater urban concentration.
10. Choice 2 would require additional PUA provision to be identified of about 620 dwellings per year in the form of urban extensions to Leicester. Although there are clear advantages to a greater degree of concentration in the PUA, regard also needs to be had to the impact of additional urban extensions on Leicester's periphery. It is considered that this level of peripheral development would be likely to place significant pressure on green wedges and other environmentally or culturally sensitive areas. There are also highways and transport concerns about accommodating this level of development which would require substantial investment in transport infrastructure.
11. Choice 3 would involve additional provision of about 220 dwellings per year in the form of urban extensions to Leicester. Although this is considered to be achievable without major environmental impacts, it would shift the balance too far from the PUA, and place excessive development pressures on the Sub-Regional Centres and other locations.
12. On balance, it was considered that a combination of Choice 2 and 3 would give the most appropriate balance between development in the PUA and Sub-Regional Centres. This approach was supported at the Three Cities Sub-Regional Strategy Seminar on 13th June in Loughborough.
13. To inform District level housing provision, based on the combination of Choices 2 and 3, it was necessary to disaggregate the total Leicester PUA provision on a district basis between Leicester City itself and the adjoining districts. A prime objective was to maximise the provision of housing within Leicester to meet the challenging target of 1,180 dwellings per year in the 2B Option. The additional provision should be provided largely in the form of planned sustainable urban extensions.
14. Subsequent evaluation of the housing provision drew upon a number of sources, including:
 - a. Housing information, including district level supply, and household projections;
 - b. Opportunities and constraints and public benefit mapping;
 - c. The views and formal comments of district councils and wider key partners;

15. There are other sources of information, set out below, which are not available or only partially available at present.
- a. Updated information on the urban capacity of the PUA;
 - b. Updated information on housing completions and planning permissions to 2006;
 - c. The results of housing market assessments;
 - d. More detailed transport modelling of areas of search for development;
 - e. Employment land information from County and District level employment land and premises studies;
 - f. Employment information at a Regional level;
 - g. The sustainability appraisal of the Three Cities Sub-Regional Strategy;
 - h. Confirmation of Growth Point funding.
16. Because of the considerable amount of additional information that will become available during and after the consultation period, Leicestershire County Council and Leicester City Council reserve the right to revise the advice to the EMRA in the light of this additional information.

ISSUES

17. In addition to the geographically and district-based discussion below, the following issues have also helped to inform the district level housing provision.
- a. To what extent should existing local plan allocations be re-assessed?**
18. Because district local plans have an end date of 2006, in most districts allocations have either been granted planning permission or are under construction. Re-assessment of local plan allocations is therefore not likely to be a key issue. In Leicester all housing allocations have been reviewed and endorsed by the Local Plan Inquiry Inspector (December 2004); the City of Leicester Local Plan was adopted in January 2006 and provides guidance up to 2016.
19. Where there are significant outstanding allocations which have not received planning permission, such as at Great Glen in Harborough District, they will need to be reassessed in light of current adopted planning guidance, the emerging Regional Plan and draft LDF core strategy policies and in relation to the other sites being considered for future development. It is therefore important that outstanding allocations are not seen as a commitment in the context of the Sub-Regional Strategy as this will inform the review of the Local Plan, within which these sites should be reassessed.
- b. What account should be taken of historic build rates?**

20. It is important that historic building rates are considered as they will give an indication of the ability of each authority area to deliver the required amount of housing.
21. However, they need to be treated with some caution, as they can vary from year to year in response to a number of factors. Historic build rates prior to 2001 should also be considered as, in some cases, more or less than the Structure Plan requirement has been constructed. Additionally, districts may have achieved significant growth in recent years, reflecting previous policy such as the Central Leicestershire Policy Area and Transport Choice Corridors. Historic build rates may therefore have been significantly higher than would be expected with a large proportion of the building in recent years being related to rural centres rather than the urban areas. This trend does not reflect the aims of the emerging policy of focusing development on the Principal Urban Areas and Sub-Regional Centres.
22. It is important therefore that the Sub-Regional Strategy directs housing growth to the PUA and Sub-Regional Centres in line with the new priorities and emerging policy frameworks rather than those areas that have historically experienced high growth.
23. When monitoring information is available to March 2006, further refinement of the housing provision will be possible which will inform the debate at the Examination in Public.

c. How should ongoing work on Local Development Frameworks be taken into account?

24. PPS12 outlines the clear chain of conformity which must apply, whereby LDFs must conform to the RSS. It is therefore important that the RSS and Sub-Regional Strategy provide strategic and robust guidance on housing distribution based on an assessment of all appropriate evidence.
25. Many districts are making significant progress on their LDFs, following adoption of the Structure Plan and have carried out consultation on core strategies and preferred options. Work already undertaken on LDFs can inform the process of determining housing allocations, as it provides a local perspective on how districts are proposing to apply strategic policies and in some cases their early considerations of where development might be located. However, most have yet to consider representations received and no decisions have been made about the possible content of the submission documents.
26. It is also fundamental that an adequate level of consultation on the RSS is carried out at a local level. This is important because the allocation of housing to districts has significant implications for local communities. It is important that these communities are made aware of the emerging allocations and given an opportunity to make representations. The 12 week consultation on the RSS, commencing on 28th September 2006, will provide this opportunity.

d. To what extent could the urban capacity of Leicester be realistically increased?

27. The City of Leicester Local Plan (adopted 2006) identifies considerable areas with potential for residential and other development. Recent planning consents are achieving higher densities than anticipated when the Local Plan was prepared. The Leicester Regeneration Company has been successful in bringing forward major brownfield sites for development within the City centre. In addition the Local Plan makes provision for sustainable urban extensions at Ashton Green and Hamilton. Over the period to 2026 there may well be other opportunities outside the Leicester Regeneration sites. An up to date independent detailed assessment of the potential urban capacity in Leicester City therefore needs to be undertaken to identify this potential.

28. It is likely that the Three Cities will seek financial support for updated Urban Capacity Studies for the Leicester, Nottingham and Derby PUAs from the Growth Point funding. These will inform the debate on housing provision at the Examination in Public.

e. To what extent could the urban capacity of the sub-regional centres be realistically increased?

29. A detailed assessment of the potential urban capacity in sub-regional centres needs to be undertaken. Only when such an assessment has been undertaken will the potential for additional capacity become clear. Recent planning permissions indicate that more houses are being provided than indicated in previous urban capacity studies. In Charnwood, an update of the 2004 Urban Capacity Study is currently being undertaken.

f. What are the best general locations for sustainable planned urban extensions taking into account factors such as scale, location, transport implications, capacity of services and viability?

30. EMRA's advice to Section 4(4) Authorities includes the requirement that: "The strategy for the Leicester and Leicestershire HMA should consist of:

- strengthening the role of Leicester as a Principal Urban Area through urban intensification and planned and sustainable urban extensions;
- strengthening the sub-regional roles of Coalville, Melton Mowbray, Loughborough, Hinckley and Market Harborough"

31. Notwithstanding this advice, the informal officer view of District Councils is that any indication of locations for urban extensions would pre-empt the LDF process which should include a robust and transparent assessment of alternative sites in full consultation with local residents and stakeholders. It is questioned how a 'sustainable planned urban extension' would differ from smaller extensions to the urban area and whether a 'sustainable planned urban extension' would be providing for housing requirements generated from outside the district in which it is located or whether it is a means of concentrating and focusing the growth of that district.

32. However, it is the role of the Section 4(4) authority to identify broad areas of search for urban extensions to the LLUA. There will be opportunities for residents and stakeholders to provide their views during the 12 week consultation period, and for detailed examination of the proposals in the EIP.

g. What are the requirements for planned new housing development outside the principal urban area and sub-regional centres to meet more local needs?

33. Not all provision will be in the form of large urban extensions; some small additions to the PUA and SRCs may be appropriate, and some provision should also be made to sustain rural communities, particularly in the form of affordable housing. Generally the District Council view is that the balance between provision in urban extensions and elsewhere is a matter to be determined through the LDF process. However, it is necessary to have an estimate of this balance in order to inform the advice provided to EMRA.

34. An estimate of the amount of provision in “other locations” has been made based on the current supply. Across the HMA (excluding Leicester, and Oadby and Wigston, where no other locations are available), some 42% of the supply is in other locations, ranging from 24% in Hinckley and Bosworth to 55% in Melton. This is a high proportion, reflecting past policy. In Melton borough, it is likely that the proportion of provision in other locations will be substantially lower, and this is likely to be the case elsewhere.

35. It is suggested that about 10% of additional provision, is a more reasonable proportion of development to be provided in “other locations”. Until further information is available, this is the proportion which will be used in deriving the amount of development to be provided in planned sustainable urban extensions. There is one exception; Blaby has a settlement pattern of large villages, and no SRC. This is likely to result in the need for a higher provision in “other locations”.

h. What level of new employment provision is required, taking account of the latest information provided by district, and sub-regional studies?

36. The results of the sub-regional study are still awaited, and because of unresolved issues at a regional level, the draft Regional Plan will not contain employment land provision. In addition, the level of need beyond 2016 cannot be predicted with any degree of accuracy, given the fluid nature and changing structure of the economy.

37. Leicester’s employment land study indicates an outstanding need for 60 hectares of employment land by 2016. The study identified locations to the north and west of Leicester as being suitable for the search for additional employment land due to the ease of access to local labour and the motorway network.

38. In Blaby, the District employment land study indicates an outstanding need for some 21 hectares of employment land, and the need for a

strategic employment site, up to 2016. This broadly equates to the residual need identified in the Leicestershire and Leicester Structure Plan.

39. The Harborough study indicates that 47.5 hectares of employment land is required up to 2016 and 59 hectares up to 2021. There was no clear local need identified for a strategic employment site in Harborough close to the Oadby and Wigston border.
40. In Hinckley and Bosworth, based on current forecasts, provision will be made to allocate 45ha of employment land over the period 2006-2026, to be developed as part of the proposed urban extensions, on brownfield sites and some provision to be made for the Key Centres and National Forest Villages to help address any identified imbalances. These sites shall be located to maximise sustainable employment opportunities, accessibility and regeneration of key areas. Account shall be taken of the land and locational needs of the economic sectors to be proactively attracted into the Borough. The detailed level of land allocation and specific sites shall be provided in the employment DPD.

i. How can housing and employment be co-located to ensure an appropriate sustainable mix of development?

41. This requires an assessment of travel to work data. It is clear that Leicester City Centre affords the significant employment opportunities; housing should therefore be located to best exploit this. However, on new large scale sites, it will be important to maximise the opportunity for housing and employment to be provided to allow a mix of uses.
42. It will also be important to ensure use of previously developed land in urban areas is maximised whilst protecting good quality employment land.

j. How can the distribution of housing make best use of potential Growth Point funding?

43. It is essential that adequate funding is obtained through the initial phase of the Growth Point initiative to provide the necessary infrastructure to deliver high quality residential environments in the City centre. It is likely that later phases of Growth Point funding will be channelled towards sustainable urban extensions where it will help fund major infrastructure schemes essential to their delivery. As likely locations for growth are identified through the Regional Plan and subsequent LDFs, it will become possible to identify specific schemes that could be funded. Each area is likely to have its own infrastructure requirements. It is important, however, that funding is not only available exclusively to early schemes but also to later schemes located outside Leicester where requirements for infrastructure are clearly identified. There should be a clear link between housing delivery and funding. The funding should also be used to enable the delivery of growth rather than relieve existing problems and must be secured for the 20 year life of the RSS.

DISCUSSION OF OPPORTUNITIES AND CONSTRAINTS

44. In order to establish the most suitable broad locations for planned sustainable urban extensions to inform the district housing provision, a detailed analysis of opportunities and constraints and other issues was undertaken. This is set out in table format in Appendix A, and in map format in Appendix B. The conclusions are summarised below, for both the area around the Leicester PUA and around the Sub-Regional Centres.

LEICESTER PRINCIPAL URBAN AREA

Definition

45. The PUA is defined as the built-up area of Leicester City, and the built-up area of the settlements which directly adjoins it. It would not include undeveloped land beyond the built framework of Leicester and its adjoining settlements. Any urban extensions would therefore be in the form of additions to the PUA. The general areas of search for any planned sustainable urban extensions would be identified in the Sub-Regional Strategy, through appropriate levels of housing provision at a district level, and the land identified in subsequent district LDFs.

46. It is the advice of Leicestershire County Council and Leicester City Council that the Leicester PUA comprises the built-up parts of the following settlements:

- City of Leicester
- Oadby
- Wigston
- South Wigston
- Birstall
- Thurmaston
- Scraptoft
- Thurnby and Bushby
- Glen Parva
- Braunstone
- Leicester Forest East
- Kirby Muxloe
- Glenfield

Discussion of Opportunities, Constraints and Other Issues

47. The area around Leicester has been divided into seven zones, each encompassing a sufficiently large area to enable strategic opportunities and constraints to be identified. The boundaries of the zones do not follow District Council or other administrative boundaries.

48. Details of the Opportunities and Constraints are set out in Appendix A, and the zones defined in the maps in Appendix B

Zone 1: North of Leicester, from the eastern boundary of the National Forest to the Soar Valley (Charnwood)

49. The floodplain of the River Soar forms the eastern boundary of this zone and Rothley Brook crosses from southwest to northeast. Green wedges provide strategic separation between the new development at

Ashton Green and adjacent villages to the north. The western part of this zone lies within Charnwood Forest.

50. A major new housing development and an associated park and ride site are currently being built north of Birstall and south of the A46, which forms a defensible limit to the northern expansion of the PUA.
51. An urban extension in this zone would not be feasible without breaching significant defensible limits to development.

Zone 2: North-east of Leicester to Scraptoft (Charnwood and Harborough)

52. The floodplain of the River Soar forms the western boundary of this zone and there are two smaller watercourses flowing westwards into the Soar. The villages of Barkby and Barkby Thorpe are close to the main built-up area, but retain a rural character.
53. An urban extension to Leicester is currently being built at Hamilton. There is an opportunity to extend this northwards, along with the green wedge in the area, to provide a further urban extension. The latter would help to address open space shortages in the area.
54. There are a number of employment areas within or close to this zone.
55. Transport opportunities include the potential to extend the proposed quality bus corridor, the proposed Syston Eastern Bypass and improvements to Syston railway station. An urban extension in this area would require a link between the A46 and the Victoria Road East Extension, which could be provided at a relatively lower cost than new road links further south to the east of Leicester.

Zone 3: East of Leicester to the green wedge separating Thurnby from Oadby (Harborough)

56. The northern edge of Scraptoft forms the northern boundary of this zone which extends south to the green wedge between Scraptoft and Oadby.
57. Whilst there are no significant physical constraints to the east of the existing PUA, the character of the area is very rural.
58. Although the A47 is comparatively lightly trafficked, and there is an opportunity to extend the proposed quality bus corridor, this zone is remote from the national road network. A link northwards to the A46, or southwards to the M1 would be extremely expensive and could only be justified by a very substantial amount of new development.

Zone 4: South-east of Leicester encompassing the A6 and A5199 (Oadby and Wigston and Harborough)

59. The floodplain of the River Sence and the Grand Union Canal lie to the south and east of this zone. Further southeast along the A6 is the village of Great Glen. The gap between the PUA is fairly narrow, and will become more so since the recent approval of the relocation of Leicester Grammar School to this area.

60. Although the A6 runs through this zone, and there is an opportunity to extend the proposed quality bus corridor, it is remote from the national road network. A link northwards to the A46, or southwards to the M1 would be extremely expensive and could only be justified by a very substantial amount of new development.

Zone 5: South of Leicester to the Soar Valley (south) (Blaby)

61. There are a number of significant physical constraints to major development to the south and southwest of the PUA in Blaby. The PUA is tightly constrained by the floodplains of the Rivers Soar and Sence, which form a physical separation, from the PUA. Beyond that, the closely spaced villages of Enderby, Narborough, Whetstone, Blaby, Countesthorpe and Cosby, with the floodplain of the River Soar, leave little space for any major urban expansion without compromising the strategic functions of the Green Wedges in the area. Development in this area is therefore unlikely to be possible in the form of Sustainable Urban Extensions.

62. Land to the immediate east of Blaby Town Centre falls within the grounds of Blaby Hall an 'open area of importance to the form and character' of the village and as such the potential for development here is limited.

63. Further work would be required to address transport issues and ensure sustainable transport solutions in the area, in particular, transport choice to and from Blaby, Whetstone, Countesthorpe and Glen Parva is restricted to road based modes. Without an increase in the capacity and efficiency of public transport to employment, leisure and retail facilities, new development would result in significant car-borne traffic. Sufficient highway capacity would also need to be provided both locally and on routes into Leicester City centre from the south, particularly on the A426 into Leicester and any adverse impacts mitigated. The proposal for a train station at Blaby, supported in the Local Transport Plan, would need to be implemented.

64. The facilities and infrastructure of Blaby Town Centre (such as schools, and health facilities) would need to accommodate the increased population that would result from development in this area.

65. A significant opportunity is for a link road to the M1 to be provided to the south of the villages, which could be the first stage of an Eastern bypass for Leicester. However, this would be very costly and further work would be required to examine its potential benefits and dis-benefits, the likelihood of construction and in particular how such a scheme would be funded.

Zone 6 South-west of Leicester, to the southern boundary of the National Forest (Blaby)

66. There are no significant physical constraints in this area, except for the potential severance from the Leicester PUA by the M1, which currently forms a defensible limit to development in this area. The preferred route announcement for the M1 junction 21 to junction 21a area will not now be made until well into 2007 so M1 widening and the M1 / M69 link

roads around junctions 21 and 21a are unlikely to be achieved until at least 2015. This will be a constraint on any development in the short to medium term, given the impact such works may have on location, severance, noise, air quality and accessibility. However, there is the opportunity to achieve a comprehensive package of sustainable transportation measures that are properly integrated with motorway improvements. This will enable measures to be taken to improve the ability of the highway network to accommodate additional traffic.

67. There are no rail based solutions in the immediate area so transport choice is limited to road based modes. However, there is an opportunity to extend the existing park and ride site and A47 bus priority measures.
68. Substantial infrastructure provision would be required as the nearby settlements of Leicester Forest East and Kirby Muxloe have limited infrastructure to accommodate the development in this area. Improved accessibility to the City Centre and other employment and leisure destinations is required to make development in this area sustainable. Further work is therefore needed to indicate the scale of infrastructure including the provision of key services and its costs, which would be required to accommodate development in this area.
69. Given the lack of significant physical constraints in this zone and the opportunity to achieve comprehensive transport improvements, there is the potential to provide a sustainable urban extension in the general area west of the M1.

Zone 7 North-west of Leicester, encompassing the National Forest (Blaby, Charnwood and Hinckley and Bosworth)

70. The PUA in this zone is tightly defined by the floodplain of the Rothley Brook and associated green wedges and the A46 which all separate it from the neighbouring villages of Ratby, Groby and Anstey. Beyond these villages are Charnwood Forest to the north and the National Forest to the northwest. There would be no scope for any significant new development in this zone without seriously compromising the strategic role of the green wedges here.

Other Issues applying to the Leicester Principal Urban Area

Transport

71. Discussions involving the Highways Agency have been helpful in providing a broad steer on the feasibility and cost of transport infrastructure to service the major development associated with urban extensions.
72. To the south and east of Leicester, any major development would require a full or partial southern and eastern bypass of Leicester. Whilst this would be feasible, it would be very expensive. This was a key factor in ruling out proposals for urban extensions to the south and east of Leicester.
73. On the other hand the additional transport infrastructure required for the areas to the north of Leicester (a link to the A46) and to the west of

the M1 should be feasible and less expensive, although further investigations are being conducted to confirm this.

Growth Point Bid

74. If successful, the Growth Point bid will provide the opportunity to fund significant infrastructure projects to support urban regeneration in Leicester, and later the sustainable urban extensions to the PUA.

Water

75. Water supply is not an issue, as Severn Trent Water anticipates an adequate supply for development at the Option 2B rate of 3,790 dwellings per year.

Sewage Treatment

76. Sewage treatment may be an issue, particularly in the first part of the plan period in Leicester. Improvements will need to be made to Wanlip Sewage Treatment Works to ensure that treatment meets the required standard.

Community Forest

77. The proposed Community Forest around Leicester will help to ensure that publicly accessible greenspace will be provided as part of any urban extension.

SUB-REGIONAL CENTRES

Definition

78. It is the advice of Leicestershire County Council that the following settlements are designated as Sub-Regional Centres:

- Loughborough (with Shepshed)
- Market Harborough
- Hinckley (with Earl Shilton, Burbage and Barwell)
- Melton Mowbray
- Coalville

Discussion of Opportunities, Constraints and Other Issues

79. Beyond the PUA, a similar exercise, including consideration of constraints and opportunities and the issues set out above, was conducted for the Sub-Regional Centres. This was at a less detailed level, because unlike the area around Leicester, which is covered by a number of districts, each Sub-Regional Centre falls within one district. This advice is therefore largely confined to the extent to which Sub-Regional Centres should accommodate growth in the HMA outside Leicester. This will enable districts to determine at a more local level the most suitable location around the Sub-Regional Centre for sustainable urban extensions.

80. Details of the Opportunities and Constraints are set out in Appendix A, and in the maps in Appendix B

Loughborough (Map 2)

81. There are a number of physical constraints around Loughborough, including the Soar valley to the northeast, Charnwood Forest to the southwest, the M1 and historic Garendon Park to the west. Strategic green wedges provide separation between Loughborough and the surrounding villages. In the past, these constraints have been a factor in considering the scale of development around Loughborough.
82. However, Loughborough's size as the second largest settlement in Leicestershire, its position at the centre of the Three Cities, the presence of the University and the availability of high quality employment sites, including the proposed Science Park, all provide opportunities for further expansion.
83. There are also significant problems of congestion in Loughborough, which will need to be resolved. Transport modelling work over the next few months will help to inform the process of site selection and identify transport solutions, for example, a southern and western bypass.
84. Charnwood Borough Council has carried out a detailed exercise to locate the most suitable directions for growth to Loughborough as part of the LDF process.

Market Harborough (Map 3)

85. The floodplain of the River Welland and railway line pass directly through the town and the bypass to the east is a constraint in that direction. There have also been concerns over a number of years over the capacity of the facilities and infrastructure of the town to cope with further major expansion. A large local plan allocation to the south of the town has recently been given planning consent, and there is a high level of committed development which will need to be reassessed as part of the LDF process.
86. Because of these constraints and the priority given to regeneration of Loughborough, Hinckley and Coalville, it was not considered appropriate to make provision for further major growth in Market Harborough.

Hinckley (Map 4)

87. The main physical constraints in Hinckley relate to the green wedges which provide strategic separation between Hinckley and Earl Shilton.
88. The Earl Shilton Bypass provides an opportunity to improve the town centre and make it more attractive to local residents. However, there are also significant transport problems in Hinckley, relating to capacity of junctions on the A5 and access from the Earl Shilton Bypass to the M69, which will need to be resolved. Transport modelling work over the next few months will help to inform the process of site selection and identify transport solutions. This will include consideration of improvements to the A5 and the effects of providing south facing slip roads to Junction 2 of the M69 on the volume of traffic through Stoney Stanton and Sapcote.

89. It is therefore considered that opportunities exist for further growth to Hinckley in the form of a sustainable urban extension to support Hinckley's role as a Sub-Regional Centre.
90. Hinckley and Bosworth Borough Council has carried out a detailed exercise to locate the most suitable directions for growth to Hinckley as part of the LDF

Melton (Map 5)

91. The main physical constraints in Melton Mowbray relate to the floodplain of the River Eye / Wreake, which bisects the town. The proposal to provide a partial or full bypass will provide an opportunity to remove traffic from the town centre, making it more attractive as a shopping centre.
92. The long-standing local plan allocation for 700 dwellings in a "new village" south of the town will not now be implemented. However, concerns over affordability of housing in the Borough and the very small number of other local plan allocations remaining to be implemented, suggest that a urban extension of about 1,250 dwellings would be appropriate.
93. Melton Borough Council is carrying out a detailed exercise to locate the most suitable directions for growth to Melton Mowbray as part of the LDF

Coalville (Map 6)

94. The main physical constraints in Coalville relate to the green wedges which provide strategic separation between the town itself and the nearby villages.
95. Transport issues are mainly related to the capacity of the bypass, and the possible impact of major development on the wider road network. An existing local plan allocation near Hugglescote will result in improvements to the A511.
96. It is therefore considered that opportunities exist for further growth to Coalville in the form of a sustainable urban extension to support Coalville's role as a Sub-Regional Centre.
97. Transport modelling work over the next few months will help to inform the process of site selection and identify transport solutions. This will include consideration of the need to improve public transport provision within the built-up area.

Further Information to Inform the Consultation Process

98. There are a number of other matters where additional information is required:
- Updated information on the urban capacity of the PUA;
 - Updated information on housing completions and planning permissions to 2006;
 - The results of housing market assessments;

- More detailed transport modelling of areas of search for development;
- Employment land information from County and District level employment land and premises studies;
- Employment information at a Regional level;
- The sustainability appraisal of the Three Cities Sub-Regional Strategy.

LEICESTER AND DISTRICT CONCLUSIONS

Leicester

99. The replacement City of Leicester Local Plan was adopted on 16th January 2006 and provides guidance for new development up to 2016. It makes provision for the adopted Structure Plan housing requirement for 19,000 new homes in Leicester by 2016. The Local Plan Inquiry Inspector's report (November 2004) acknowledged that this is a challenging target but he also recognised the enhanced contribution being realized through regeneration efforts in the city. The Inspector endorsed the Plans' proposals for new housing, including the mechanism of the plan, monitor and manage approach, with is emphasis on priority for brownfield utilisation. The Local Plan's housing allocations have been reviewed and confirmed as part of the overall housing strategy.
100. The regeneration of land identified with the City's Strategic Regeneration Area (SRA) is fundamental to the Plan's Strategy. The SRA includes the five key projects in Leicester Regeneration Company's Master Plan. The LRC has prepared detailed Area Development Frameworks for the proposed residential quarters - Abbey Meadows, St George's and Waterside and the City Council has prepared supplementary planning documents to guide future development. These specific proposals could accommodate at least 7,500 new homes and they form a key element of the 3 Cities PUA New Growth Point Bid. This level of City centre housing provision provides opportunities to provide for public realm improvements and new green infrastructure. However, increased public investment will be essential to ensure new sustainable mixed communities and a high quality environment. Private developer contributions will not be sufficient to achieve this alone.
101. Greenfield development is also planned through sustainable urban extensions at Ashton Green and Hamilton and the re-use of surplus allotment land within the City. The Local Plan identifies Green Wedges and other green space within the City where development will be resisted.
102. Historical build rates have been low in Leicester and consequently the Structure Plan annual target of 950 dwellings per year has not been met. However, since 2002/03 housing completions in Leicester have been on an upward trend, especially within the City centre where regeneration activity has been gathering pace. Additional

resources through New Growth Point status should ensure that the planned development is to a higher quality design and is delivered earlier. In order to maximise this brownfield regeneration supply, it is essential that there is a strong phasing mechanism to control suburban Greenfield housing land releases within the Leicester Principal Urban Area.

103. Leicester City Council submitted the following response to EMRA's consultation on the Regional Plan Options for Change.
104. "The City Council supports Option 2B (or variant of it) which balances an ambitious growth target with a realistic prospect of delivery and is consistent with the criteria set by government under its Sustainable Communities – New Growth Point initiative. It does however hinge on a number of important conditions, including:
- a. A recognition that in general terms concentration of development in the 3 cities principal urban areas (PUA) represents the most sustainable development option
 - b. Levels of development required by such concentration will be very difficult to achieve, based on historic build rates and the current market conditions. They will require substantial government help, in particular from the Housing Corporation to swell the supply of affordable homes, since the more ambitious the growth scenario, the higher the expectation for affordable housing
 - c. Higher growth especially when combined with a strong urban concentration could impact on open space, green wedges and land in other uses, raising concerns over quality of life issues and potentially skewing the balance between housing and employment
 - d. The option could also lead to unacceptably high densities of development producing stress on the social infrastructure and the transport network, here imaginative design solutions and substantial infrastructure investment will be imperative
 - e. Any capacity deficit within the 3 cities PUAs is likely to result in pressure for suburban development, which, unless carefully controlled, could undermine efforts of urban regeneration. This raises the need for a policy or policies which can deliver an effective phasing of development
 - f. Strong and effective political leadership will be required
 - g. Mechanisms to ensure effective cross border working will also be required.
105. There is a likelihood that the new 2003 household projections will raise the bar for this (2B) option to an Annual Build Rate (ABR) of about 1390 (an 18% increase) in Leicester. This is more than double what has been achieved on average over the last 5 years here. Without a radical realignment and substantial increase in public investment to Leicester and the 3 cities sub area such a step change is unlikely to occur."

106. The total provision of about 29,500 dwellings in Leicester is considered to be achievable during the Regional Plan period 2001-2026 provided that increased financial resources are available for new infrastructure to support this level of growth e.g. open space, health and community facilities and affordable housing.

107. There could be scope to increase the City's estimated housing supply through increased densities at Ashton Green and Hamilton, in addition to higher density developments within the City centre regeneration areas. However, further in-house work will be required on an assessment of urban capacity for the RSS Examination next year, and subject to funding being identified, it may be appropriate to commission an independent study of future urban capacity.

Blaby

108. The proposed provision of 350 dwellings per year reflects the proposal to locate an urban extension to the PUA of 4,000 dwellings in the district and the need to provide for more local needs in the numerous large villages to the south of Leicester. It is above the current build rate and the 2B Option for Blaby. There is only a small local plan allocation of 10 dwellings left to be implemented and over one third of the provision is accounted for by the identified supply. The build rate has fallen recently, reflecting the fact that local plan allocations have been largely completed.

109. In terms of the area of search for an urban extension, the constraints south of Leicester including the uncertainties relating to the provision of a new link road to the south make this area less suitable for a sustainable urban extension than the area west of Leicester, where in the longer term, opportunities are provided by M1 widening.

Charnwood

110. The proposed provision of 760 dwellings per year reflects the proposal to locate sustainable urban extensions to the PUA and Loughborough of 4,850 dwellings each. It is above the current build rate and the 2B Option for Charnwood. Local plan allocations amount to over 600 dwellings and about one third of the provision is accounted for by the identified supply.

111. Most of the growth will take place adjoining the Leicester PUA and within and adjoining Loughborough. An area of search for a sustainable urban extension has been identified to the north of Leicester where there is the opportunity of linking with the existing development at Hamilton, and to the A46 at Thurmaston. The Borough Council is currently investigating the most suitable location for the urban extension to Loughborough.

Harborough

112. The proposed provision of 345 dwellings per year reflects the proposal not to locate any major new development either adjoining the PUA or Market Harborough. It is consequently below the current build rate and the 2B Option for Harborough. The 2B Option reflects the

significantly higher growth in the District in recent years (the highest build rate outside Leicester) than would be expected within a largely rural district. A large proportion of this has been related to rural centres rather than the urban areas.

113. The local plan allocations include a site at Kibworth of over 700 dwellings that has now been given planning consent. About 60% of the provision is accounted for by the supply, most of which is in Market Harborough.

Hinckley and Bosworth

114. The proposed provision of 460 dwellings per year reflects the proposal to locate a sustainable urban extension of 4,850 dwellings to Hinckley. It is slightly above the current build rate and the 2B Option for Hinckley and Bosworth. The supply is about one third of the total provision, and there is a comparatively small amount of local plan allocations.
115. Most of the growth in Hinckley and Bosworth will take place within and adjoining Hinckley to support its role as a Sub-Regional Centre. The Borough Council is currently investigating the most suitable location for the sustainable urban extension to Hinckley.

Melton

116. The proposed provision of 160 dwellings per year reflects the proposal to provide a modest urban extension of 1,250 dwellings to Melton Mowbray. It is close to the existing build rate and below the 2B Option for Melton. The supply (which excludes the Melton Mowbray new village allocation, which is considered to be not conforming to the Structure Plan) amounts to about half of the total provision.
117. The proposed provision would support Melton Mowbray's role as a Sub-Regional Centre and its social needs including affordable housing, and transport infrastructure provision. Melton Mowbray is a sustainable location in its own right, and is the social and economic focus of the Borough. The Borough already has a high degree of self-containment in terms of travel to work. The level of growth proposed would help to ensure this balance of housing and employment is maintained.
118. The Borough Council is already seeking to find a location for a planned sustainable urban extension to Melton Mowbray.

North West Leicestershire

119. The proposed provision of 480 dwellings per year reflects the proposal to locate a sustainable urban extension of 4,850 dwellings to Coalville. It is above the current build rate and slightly above the 2B Option for North West Leicestershire. The supply is about 40% of the total provision, and there is a large local plan allocation at Hugglescote that remains to be implemented.
120. Most of the growth in North West Leicestershire will take place within and adjoining Coalville to support its role as a Sub-Regional

Centre and the continued regeneration of the town. The District Council is starting to investigate the most suitable location for the urban extension to Coalville.

Oadby and Wigston

121. The proposed provision of 55 dwellings per year reflects the proposal not to locate any major new development adjoining the PUA in the Borough. It is consequently below the current build rate and the 2B Option for Oadby and Wigston. The Borough is largely built up and has a high level of supply, almost half its total provision.

CONCLUSION

122. The housing strategy for the Leicester and Leicestershire HMA is one which focuses on the Leicester urban area, initially by capitalising on its substantial urban capacity. However, this will be insufficient to meet all the proposed provision to 2026, and later in the plan period, this will need to be met by planned sustainable urban extensions.
123. In considering the areas of search for these urban extensions, regard has been had to criteria in RSS Policy 2 and an assessment of constraints and opportunities around Leicester. The best opportunities to meet the bulk of the additional provision for the PUA lie west of Leicester in Blaby (between the A47 and the M69) and north of Leicester in Charnwood (east of Thurmaston).
124. The consideration of constraints and opportunities has identified the need for significantly improved transport and other infrastructure, and further investigations will be carried out to identify specific requirements.
125. A number of factors, particularly the cost and feasibility of providing transport links to the major road network, rule out the prospect of planned sustainable urban extensions to the PUA in Harborough or Oadby and Wigston.
126. Beyond the PUA, sustainable urban extensions are proposed to Loughborough, Hinckley and Coalville to support their roles as Sub-Regional Centres.

The recommended policy for the Leicester HMA housing provision 2001-2026 is therefore as follows:

Leicester City	1,180 dws pa, all within Leicester PUA
Blaby	350 dws pa, of which 160 dws pa should be a planned sustainable urban extension to the Leicester PUA.
Charnwood	760 dws pa, of which 195 dws pa should be a planned sustainable urban extension to the Leicester PUA. Development in the remainder of the district will be focussed primarily on Loughborough, including 195 dws as a planned sustainable urban extension.
Harborough	345 dws pa, majority of which should be within or adjoining the Leicester PUA and focussed on Market Harborough.
Hinckley & Bosworth	460 dws pa, of which 195 dws should be a planned sustainable urban extension to Hinckley
Melton	160 dws pa, of which 50 dws should be a planned sustainable urban extension to Melton Mowbray
North West Leics.	480 dws pa, of which 195 dws should be a planned sustainable urban extension to Coalville
Oadby and Wigston	55 dws pa, the majority of which should be within or adjoining the Leicester PUA.

LEICESTER HMA TOTAL 3,790 dws pa, of which 355 should be as planned sustainable urban extensions to Leicester PUA

Urban extensions around Leicester, Loughborough, Hinckley, Melton Mowbray and Coalville will provide for the definition, extension and protection of green wedges penetrating the PUA and avoiding coalescence between the PUA, Sub-Regional Centres and other settlements.

POSTSCRIPT

This advice has been informed by analysis undertaken on the information available at August 2006, and therefore may be modified in the light of new information. In addition it should be noted that although Option 2B is considered to be an appropriate level of growth for Leicester and Leicestershire the advice is subject to the following strong provisos:

- a. Significant new funding, including from the Growth Point bid, would be needed for infrastructure investment to support increased levels of development; in particular new funding is needed for transport infrastructure, social infrastructure and affordable housing.
- b. Affordable housing provision is a key issue in the City and in rural areas in Leicestershire and mechanisms for providing sufficient levels of affordable housing need to be secured. The 'Roof Tax' which is being used in Northamptonshire and the wider Milton Keynes and South Midlands area to help deliver affordable housing and other infrastructure could be an attractive mechanism for Leicester and Leicestershire.
- c. Option 2B is ambitious and in order for it to be successfully delivered needs to be subject to increasing the take up of brownfield land for development in Leicester City. To aid this process an effective phasing policy needs to be introduced within the Regional Plan to ensure that further greenfield urban extensions (which could impact on sensitive green wedges) are not brought forward for development unless they are needed later in the Regional Plan period, enabling brownfield regeneration in Leicester City and the wider Principal Urban Area to take priority.
- d. A concentration policy for housing development within the urban areas could lead to the displacement of employment development to greenfield sites on the edge of the urban areas. This emphasises the need for an integrated approach to the future location of development and emphasises the importance of urban capacity work to be undertaken for Principal Urban Areas to inform the distribution and level of provision. This also necessitates the need for strong and effective cross-border working arrangements.
- e. A strong emphasis will need to be given to the protection and enhancement of urban green spaces to ensure they do not come under undue pressure for development and to ensure that they add to the quality of the environment in urban areas. Furthermore, emphasis also needs to be placed on green wedges and the importance of exploring opportunities to link Community Forests and green wedges with new development.
- f. The 2B Option does not fully take account of the 2003 Households Projections which increase the required level of housing provision, or the expected 'policy on' job forecasts which are similarly likely to increase the number of anticipated jobs.