

SCRUTINY COMMISSION – 15th NOVEMBER 2006

REPORT OF THE CHIEF EXECUTIVE

CONSULTATION ON THE DRAFT REGIONAL PLAN

Purpose of Report

- 1 To inform the Commission of the programme for responding to the consultation Draft Regional Plan and the current position on issues that will be taken into account.

Background

- 2 The County Council was required to submit advice to EMRA on the distribution of housing within Leicestershire and other matters by September this year. The advice submitted on housing distribution in September is attached at Appendix 1 and is reflected in the draft Regional Plan now subject to consultation.
- 3 In submitting its advice the County Council asked EMRA to note that further work was required to assess the major housing allocations in terms of transport infrastructure and that the results of the then unpublished employment land studies also needed to be taken into account. Once this information was available the County Council may revise its advice.
- 4 During the process of preparing advice to EMRA the County Council has been working closely with Leicester City Council, Leicestershire District Councils and other stakeholders.
- 5 Cabinet on 31st October approved a report on the consultation draft Regional Plan which proposed that:
 - the County Council's response should be agreed by Cabinet on the 19th December following consideration by the Scrutiny Commission on the 15th November and the Leicestershire Together Board on the 16th November;
 - all Members of the County Council to be invited to a briefing on the 2nd November.

Previous Decisions

- 6 Scrutiny Commission on 30th August resolved;

- a) That the comments submitted by Mrs. Dickinson, Mr. Hunt and Mr. White be noted and forwarded to the Cabinet.
- b) That the Cabinet be advised that the Commission has grave concerns about the lack of clear information relating to the criteria used to justify changes in housing allocations from Option 2B to the new RSS figures and asks the Cabinet to consider further whether the proposed advice to the Regional Assembly is still appropriate;
- c) That the Cabinet be further advised that the Commission is concerned about the capacity of District Councils to support the proposed RSS developments and the lack of certainty in funding for making infrastructure improvements, including improvements to transport provision and highways.”

Member Briefing

- 7 Twenty six Members attended the briefing on the 2nd November. In accordance with the new protocol information including a recording of the event will be made available shortly.
- 8 In answering questions, officers emphasised that:
 - the successful New Growth Point bid is not an allocation mechanism for housing development and the bid was made against the allocation of 3790 dwellings per annum for Leicester and Leicestershire already agreed by Cabinet and Leicestershire Together in February 2006;
 - the County Council’s role is that of advisor to the East Midlands Regional Assembly which in turn advises the Secretary of State who makes the final decision on the content of the Regional Plan following a public examination;
 - the demand for new housing is generated by the structural change within the existing population (about 50%) but also by population growth caused by the net balance of births and deaths and by net in-migration. Therefore houses are needed within and adjacent to existing built up areas where the majority of people live;
 - the national and regional policy framework emphasises the need to allocate sufficient houses to ensure access to housing is affordable for all and that larger scale allocations enable services to be provided more effectively and greater environmental sustainability to be achieved;
 - the ambitious housing targets for Leicester City substantially reduces the housing that needs to be allocated in the County and that the initial allocation of Growth Point funding to the City would assist in achieving these targets; and
 - that if further work on the transport assessment indicates that Loughborough cannot accommodate all of the development proposed, consideration would need to be given to reallocate about 3000 dwellings to other Districts.
- 9 Members requested that the Scrutiny Commission should be able to consider officers advice to Cabinet prior to the 19th December meeting. As a result the Scrutiny Commission meeting in December will now be held on 14th December 2006.

Issues

Housing allocations

- 10 There has been some confusion among partners about the district level housing figures issued by EMRA in its 'Options for Change' consultation in December 2005. County Council officers have clarified with EMRA's Director of Planning and Transportation that the district level figures issued at that time were for illustration only and that the more recent DCLG household projections form the baseline for consideration of the distribution of housing.
- 11 Option 2B was the preferred option for the County and Appendix 2 compares the option 2B figures, the DCLG projections and the draft Regional Plan allocations for each District in Leicestershire and Leicester City. It should be noted that the allocations for the Districts of Blaby, Harborough, Oadby and Wigston and Melton are substantially below the DCLG projections and the allocation for Leicester City is substantially above.
- 12 The DCLG baseline figures were taken into account in the advice given to EMRA in September and will continue to be a consideration in any revisions to that advice.

Transport Assessment

- 13 The large sustainable urban extensions proposed in the advice to EMRA will generate substantial extra traffic, and it was noted that further work would be necessary to check the impact of this. A transport assessment has therefore been carried out. This is:
 - using existing and new transport models to predict the amount of traffic that would be generated from these major developments and its impact on the existing road network;
 - assessing potential amelioration measures – investment in sustainable transport and new road links – to see whether they could absorb the additional traffic;
 - assessing the likely cost of those measures and hence their potential affordability in the context of developer and Growth Point funding; and
 - from this, drawing conclusions as to the achievability of the sustainable urban extensions.
- 14 The assessment is almost complete and will be used to inform the report to the County Council's Cabinet in December which will consider any changes to the advice previously submitted. At this stage, the work is pointing towards the following conclusions, though these remain subject to confirmation:
 - there will be a need for major investment in bus services, park and ride, and cycling and walking facilities if there is to be any prospect of the additional traffic having acceptable impact;
 - even with this, significant new road links will be necessary at substantial cost;

- subject to these provisos, it appears likely that the potential sustainable urban extensions to the Principal Urban Area north and west of Leicester could be accommodated in transport terms;
- similar conclusions appear likely for the sustainable urban extensions proposed for Hinckley and for Coalville, although the potential growth of Nuneaton could make providing adequate capacity on and crossing the A5 trunk road a problem for the Hinckley extension; and
- the Loughborough sustainable urban extension is more difficult. At this stage it appears that development to the extent currently envisaged might be impossible to accommodate with the transport investment likely to be affordable, resulting in unacceptable traffic congestion in the town centre. If this preliminary conclusion is confirmed it may be necessary to review the proposed allocation here.

15 The report of this transport study will be provided before the Commission's meeting on 15th November.

Employment Land Studies

- 16 The Regional Assembly has published a report on employment land provision, which suggests that across the East Midlands there is a planned over-supply of employment land. However, this does not take into account more local factors and the need to re-assess existing commitments. Further work has been commissioned to produce net employment land figures for each Housing Market Area. The Regional Assembly is arranging a seminar for 27th November, to allow stakeholders to consider these figures. If the Examination Panel recommends that employment land figures are included in the Plan, these could be included in the Proposed Changes to the Plan following the Examination.
- 17 At a local level, the results of a study of Leicester and Leicestershire employment land and premises commissioned by the LSEP has suggested a number of specific sites for employment development in Leicester and Leicestershire (see appendix 3). However, the consultants were unable to take into account the advice on housing provided to the Regional Assembly by the County Council. Further work is therefore required to ensure housing and employment proposals are aligned, particularly in the proposed urban extensions. There is strong support amongst stakeholders for the County Council to revise its advice to the Regional Assembly by providing more detailed guidance on the provision of employment land in Leicestershire, for example by indicating the broad locations of strategic employment sites.
- 18 In preparation for the Examination, officers in the Three Cities Sub-Region will work towards reconciling local studies with the regional studies still to be completed.
- 19 A separate study of the requirements for strategic distribution, commissioned by emda, is due to report soon. This will allow appropriate provision to be made for this particular sector.

Timetable for Decisions

- 20 Comments on the draft Regional Plan have to be submitted to the East Midlands Regional Assembly (EMRA) by the 21st December 2006. It is proposed that the

County Council's response is considered by Cabinet on the 19th December, following further consideration by the Scrutiny Commission on the 14th December.

Recommendation

21 It is recommended that:

- (a) proposed arrangements for responding to the Regional Plan be noted;
- (b) the Commission gives initial consideration to the issues outlined in this report; and
- (c) the Commission considers the advice to Cabinet meeting

Officers to Contact

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Appendix 1

Advice submitted to EMRA on the Distribution of Housing

LEICESTER HMA TOTAL 3,780 dws pa, of which 1,780 should be within or adjoining the Leicester PUA

Leicester City 1,180 dws pa, all within Leicester PUA

Blaby 340 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.

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.

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.
- 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.

Appendix 2

Comparison of Option 2B , DCLG Household Projections and Draft Regional Plan Allocations

All figures are dwellings per year, for the period 2001 to 2026)

Area	Option 2B	DCLG Trend Projection	Proposed Regional Plan Provision
	2001-2026	2001 -2026	2001 -2026
Blaby	290	391	340
Charnwood	590	565	760
Harborough	470	522	345
Hinckley and Bosworth	430	435	460
Melton	260	261	160
NW Leicestershire	460	522	480
Oadby and Wigston	110	261	55
Leicester	1,180	826	1,180
Housing Market Area	3,790	3783	3,780

Appendix 3

Chapter 7: Employment land study

	Authority area	Development project	SP 1996-2006
Short-term (2006-2009)	Leicester City	Initiate the regeneration of inner city urban sites <ul style="list-style-type: none"> Action programme for acquisition of existing redundant sites within Potential Development Area identified within Local Plan Facilitate key redevelopment projects with appropriate mix of employment and other uses 	✓
	Leicester City	Initiate the development of outer urban employment sites <ul style="list-style-type: none"> Action programme for the acquisition and preparation of affordable outer urban sites to accommodate companies relocated from inner urban area and other local demand Facilitate projects to meet employment needs of the city to minimise the scale of provision required in surrounding areas 	✓
	Charnwood	Initiate the development of the first South Charnwood Business Park <ul style="list-style-type: none"> Promote the acquisition and promotion of a suitable site (possibly near Birstall) Facilitate development to meet local and sub-regional needs which avoid competition with regeneration in inner urban areas 	✓
	Charnwood	Support extension of Loughborough Science Park <ul style="list-style-type: none"> Support to plans for extension to existing Science Park Facilitate development to complement current Leicester Science Park and suggested Blaby Technology Park avoiding competition with regeneration activities 	✓
Medium-term (2010-2013)	Leicester City	Continue the regeneration of inner city employment sites <ul style="list-style-type: none"> Action programme for acquisition of existing redundant sites within Potential Development Area identified within Local Plan Facilitate key redevelopment projects with appropriate mix of employment and other uses 	✓
	Leicester City	Continue the development of outer urban employment sites <ul style="list-style-type: none"> Action programme for the acquisition and preparation of affordable outer urban sites to accommodate companies relocated from inner urban area and other local demand Facilitate projects to meet employment needs of the city to minimise the scale of provision required in surrounding areas 	✓
	Leicestershire	Initiate the development of other employment land allocations <ul style="list-style-type: none"> Promote the acquisition and preparation of other employment allocations (not mentioned elsewhere) Facilitate projects for employment uses to meet primarily local employment needs in redevelopment of existing sites within urban areas Also creating new opportunities in market towns 	✓ and NEW

	Blaby	Initiate development of Blaby Technology Park <ul style="list-style-type: none"> Promote acquisition and preparation of site for high quality Technology Park near M1 Junction 21. Complement existing Leicester and Loughborough Science Parks whilst avoiding competition with regeneration activities 	✓
	Harborough	Promote extension of Magna Park <ul style="list-style-type: none"> Promote the acquisition and preparation of a suitable site for extension Facilitate development to meet expected needs of sub-region in context of forthcoming regional study on strategic warehousing and distribution 	NEW
	Hinckley and Bosworth	Initiate development of Hinckley Business Park <ul style="list-style-type: none"> Promote acquisition and preparation of site for Business Park. Possibly on Hinckley northern relief road Facilitate development to meet local and sub-regional needs which avoid competition with regeneration in inner urban areas 	✓
Long-term (2014-2016)	Leicester City	Continue the regeneration of inner city employment sites <ul style="list-style-type: none"> Action programme for acquisition of existing redundant sites within Potential Development Area identified within Local Plan Facilitate key redevelopment projects with appropriate mix of employment and other uses 	✓
	Leicester City	Continue the development of outer urban employment sites <ul style="list-style-type: none"> Action programme for the acquisition and preparation of affordable outer urban sites to accommodate companies relocated from inner urban area and other local demand Facilitate projects to meet employment needs of the city to minimise the scale of provision required in surrounding areas 	✓
	Leicestershire	Continue the development of other employment land allocation <ul style="list-style-type: none"> Promote the acquisition and preparation of other employment allocations (not mentioned elsewhere) Facilitate projects for employment uses to meet primarily local employment needs 	✓ and NEW
	Charnwood	Initiate development of South Charnwood Business Park <ul style="list-style-type: none"> Promote the acquisition and promotion of a suitable site (possibly near Thurcaston) Facilitate development to meet local and sub-regional needs which avoid competition with regeneration in inner urban areas 	NEW
	O&W and Harborough	Initiate development of Oadby-Harborough Business Park <ul style="list-style-type: none"> Promote the acquisition and development of suitable site. Possibly on south-west edge near A6) Facilitate development of mixed use new community development including housing, employment, local facilities and open space which avoids competition with regeneration of inner urban areas 	✓