



Land at Leicester Airport, where the eco-town development is proposed

REPORT OF THE SCRUTINY REVIEW PANEL ON THE PROPOSED DEVELOPMENT OF AN ECO-TOWN FOR LEICESTERSHIRE

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FOREWORD

The concept of an eco-town as expressed by Government presents a commendable vision for a sustainable community in which residents are accommodated and their personal needs met in a way that offers a healthy and sustainable lifestyle, reduces their dependence on the use of a car and fulfils their social, health, employment and general community needs within the confines of the eco-town. This Utopian vision, where there is such a high degree of self-containment with minimum demand on external resources offering a neutral carbon footprint and other environmental benefits, is a goal well worth pursuing.

However, it is important to note that such a vision must take into account the future needs of not only the eco-town as a self contained entity, but also the wider area within which it sits. The suitability of a location for an eco-town and its relationship with the surrounding area are critical. It should complement and build upon existing plans and policies designed to manage the needs of the whole area in relation to a range of issues including transport, housing, the environment, education and skills, employment and economic vitality and energy and climate change.

The report of the Scrutiny Review Panel examines in detail the proposals being put forward by the Co-operative Group and the Homes and Communities Agency (formerly English Partnerships) for the Pennbury area, with a view to obtaining a better understanding of the issues and impacts of those proposals both in relation to the immediate area of the proposed town and, more widely, for Leicestershire. In undertaking the Review, the Panel has engaged the Co-op, representatives from statutory bodies and other independent witnesses to seek a better understanding of the Pennbury proposals and their implications.

The Panel has not sought to come to a view on the desirability or otherwise of the proposal but rather to identify key issues that it believes the Scrutiny Commission and the Cabinet should have regard to in formulating their response to the Department for Communities and Local Government (DCLG) consultation, which ends on 6 March 2009.

It is difficult to summarise the findings of the Panel and complete reading of the full report is therefore recommended. I would, however, like to highlight some of the most important issues which have emerged from the Review.

There is considerable merit in the principle of an eco-town and the approach to sustainability and high environmental standards is to be commended. However, questions have emerged as to whether Pennbury is the right location for an eco-town and the Panel noted that the area had already been rejected for major development in the deliberations on the emerging Regional Plan, partly because of its very poor links to the strategic road network. The Panel also noted that Pennbury has been put forward for development by the landowner (in response to an invitation to bid from the Government) and has not come forward through the accepted plan led approach to development.

The Panel welcomes the Co-op's aspirations to promote the use of more sustainable modes of transport, but the evidence it has received suggests that the transport strategy cannot be implemented in its entirety. In particular, there

are concerns that the bus rapid transit proposals will not result in the high quality bus service required and, as a consequence, there will be more car journeys made leading to increased congestion. The proposed car parking standards are unprecedented and the Panel find it difficult to see how they can work.

On the subject of housing, the Panel received evidence which suggests that the overall need for housing should be reviewed in the light of recent information. There is clearly a need for more affordable housing, especially for rent, but there are so many uncertainties and risks associated with the nature of the eco-town housing which will impact on marketability, saleability and deliverability. Eco-towns of the scale envisaged would be getting into such uncharted territory that there may be logic in developing only one as a pilot project to see if the concept works.

The notion of a community with a mix of uses and a range of jobs is to be commended but at present the Co-op has no economic strategy which explains how the jobs will be delivered. The Panel received evidence which indicated that it would be very difficult to attract the number of jobs envisaged for Pennbury. If these jobs are not provided then the transport consequences of Pennbury residents travelling to their places of work are very significant and would impact adversely on the transport strategy.

The Panel considered the potential impact of Pennbury, if it was to proceed, on the regeneration of Leicester and other urban areas such as Oadby and Wigston. The Panel believes that there is a very real risk that it could adversely impact on much needed regeneration in these areas.

The Panel's work has covered a wide range of issues which are addressed in this report. There are a number of instances where further information is needed before assessments can be made – the Co-op has acknowledged this – and has indicated its willingness to hold further discussions as appropriate in the future.

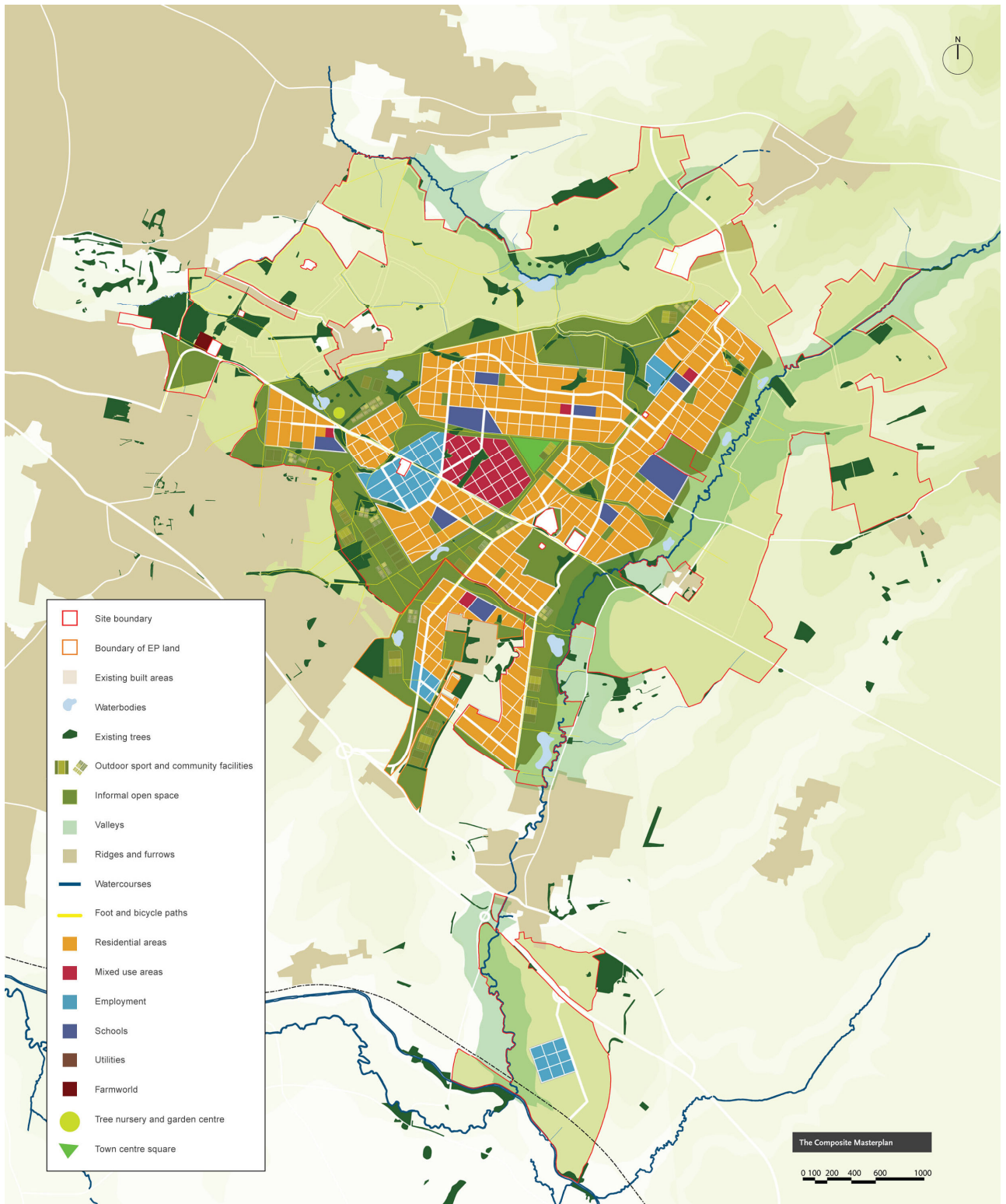
The Panel has also considered the Strategic Assessment carried out by the consultants Halcrow, a suggested response to the draft Planning Policy Statement on eco-towns and the eco-town Sustainability Appraisals commissioned by the Government. The Panel would ask the Scrutiny Commission (and Cabinet) to take these documents into account in their deliberations on eco-towns, and Pennbury in particular.

I would like to take this opportunity to thank on behalf of the Panel all the witnesses who have engaged over the course of the Review, particularly the contribution made by the Co-op, who were open and professional with the Panel at all times. I would wish to express my sincere thanks to Frazer Robson, whose advice and hard work throughout the course of the review has proved invaluable. I would further wish to thank Ben Smith and Sam Weston in the County Council's Committee Services section for their comprehensive support and input to the Panel.



Peter Roffey DLCC

Chairman of the Scrutiny Review Panel on the Proposed Development of an Eco-Town for Leicestershire



REPORT OF THE SCRUTINY REVIEW PANEL ON THE PROPOSED DEVELOPMENT OF AN ECO-TOWN FOR LEICESTERSHIRE

Purpose

1. The purpose of this report is to set out the findings of the Scrutiny Review Panel established to consider in detail the proposals being put forward for the development of an 'eco-town' with a view to obtaining a better understanding of the issues and impact of the proposals, both in terms of the impact on the immediate area and those areas adjacent to the proposed development.

Background

Eco-towns

2. In response to the challenges of climate change and the need for more houses, in July 2007 the Government invited local authorities and landowners or developers to put forward bids for possible eco-towns outside of the normal planning process. 57 bids were received and on 3 April 2008 the Government published a list of 15 locations that had been short listed as possible sites for eco-towns. One of these locations lies to the south east of Leicester in an area around Stoughton village. The context is therefore of a developer led approach rather than a plan led approach to development.

Pennbury – Eco-town for Leicestershire

3. The Co-operative Group (referred to in this report as the Co-op), together with the Homes and Communities Agency (the HCA - formerly English Partnerships), has put forward proposals for an eco-town provisionally named as Pennbury. In summary, the proposals are for 15,000 new homes, employment for possibly 14,000 people and a range of support facilities and services. The intention is that the eco-town will be self contained as far as possible and that all buildings will be built to high eco standards. Further details on the proposals are given later in this report.
4. The Government has indicated that there will be four stages to take forward the eco-town programme:
 - Stage 1 – a consultation to 30 June 2008 on preliminary views on eco-towns in general and the 15 locations short listed.

- Stage 2 – a consultation from 4 November 2008 to 6 March 2009 on more detailed assessments of the 15 locations and a draft Planning Policy Statement (PPS) on eco-towns.
- Stage 3 – publication of the final list of locations with potential to be an eco-town by spring 2009.
- Stage 4 – consideration of planning applications for individual schemes.

Stage 1 - Comments

5. Based on an examination of the Co-op's proposals and the feedback from the consultation, a report was considered by the County Council's Cabinet on 20 June 2008. Copies of the report can be viewed on the County Council's website¹. At the meeting, Cabinet approved a number of comments which together represent the Council's preliminary views on eco-towns and Pennbury in particular. The response included:
 - Concern that there is a real lack of detail about the proposals which makes it difficult to comment on the scheme – the consultation period should accordingly be extended by 6 months;
 - Concern that the eco-town process has a complete disregard for established planning procedures and existing planning policies;
 - Support for the principle of developing sustainable communities and affordable housing;
 - There is already enough land allocated for residential development to meet the needs of the County and that this position was recently accepted by a Panel that examined the Regional Spatial Strategy last year;
 - The site was deemed to be an inappropriate location for large scale development;
 - Concerns as to whether Pennbury could attract the number of jobs the Co-op anticipates;
 - Concerns that Pennbury could adversely affect the regeneration of the City and other sites already identified for development;
 - To be a self contained community, Pennbury must provide a full range of support and community facilities and services (e.g. schools, health facilities, police station, library, parks, leisure

¹ [http://politics.leics.gov.uk/Published/C00000135/M00002097/AI00019929/\\$BPennbury.docA.ps.pdf](http://politics.leics.gov.uk/Published/C00000135/M00002097/AI00019929/$BPennbury.docA.ps.pdf)

facilities etc);

- Concerns about the transport proposals for Pennbury and the need for these to be very carefully examined.

Remit of the Panel

6. The Scrutiny Commission, at its meeting on 18 June 2008, agreed to establish a Five Member Panel to consider in detail the proposals being put forward for the development of an eco-town with a view to obtaining a better understanding of the issues and impact of the proposals both in terms of the impact on the immediate area and those areas adjacent to the proposed development. This will help to ensure that the Commission and Cabinet are better informed when formulating their comments in response to the Government consultation which ends 6 March 2009 (Stage 2 of the process). The Panel has sought to gather information and identify issues, benefits and concerns, rather than come to a view on the desirability or otherwise of the eco-town proposals.

Membership of the Panel

7. The following members were appointed to serve on the Panel:-



Mrs. J. A. Dickinson CC



Mr. M. Griffiths CC



Mr. John Legrys CC



Mr. J. S. Moore CC



Mr. P. A. Roffey DL CC

Mr. P. A. Roffey DL CC was appointed as Chairman of the Panel.

Conduct of the Review

8. The Panel met on 16 occasions between August 2008 and January 2009.
9. The following approach was adopted by the Panel in undertaking its role:-
 - (a) it commenced its work with a presentation from the Co-op on their detailed proposals which were made public in late July and which were worked up into a detailed preferred option in September. A further meeting was held with the Co-op to discuss their proposals in greater detail. The Panel have given detailed consideration to the Co-op's proposals, which are contained within their Masterplan Vision Document².
 - (b) it undertook a detailed consideration of the outcome of the following studies which were commissioned by various parties:-
 - **Draft Planning Policy Statement (PPS) on Eco Towns.** Issued by the Department for Communities and Local Government (DCLG), this sets out the standards which eco-towns need to meet, the process for dealing with them and the criteria for assessing them. The PPS also poses a number of questions to which anyone can respond.
 - **Sustainability Appraisal.** This has been undertaken by Scott Wilson Group on behalf of DCLG and includes a sustainability appraisal of the draft PPS and the Pennbury location and proposals.
 - **Transport Assessment.** This has been undertaken on behalf of the Co-op by the County Council working with Leicester City Council, Harborough District Council, Oadby and Wigston Borough Council and the Highways Agency. This has modelled the transport implications of Pennbury and considered transport improvements and mitigation measures which would be needed if Pennbury went ahead.
 - **Financial Appraisal and Deliverability Mechanisms.** Commissioned by DCLG, this is being undertaken by PricewaterhouseCoopers, Advisory team for Large Scale Developments (ATLAS) and DentonWildeSapte. It is looking at the viability and deliverability of the individual eco-towns. The work, however, has been delayed and is unlikely to be available until some time later in January. The Panel has therefore not been able to consider this work. DCLG had originally indicated that it would be carried

² <http://www.ecotownforleicestershire.coop/masterplanVision-to-clg050908.html>

out by September 2008 – the Panel are exasperated by the delay and the lack of information which has been made available to the local authorities.

- **Strategic Assessment.** This work has been commissioned by the four authorities with the support of the Leicester Shire Economic Partnership (LSEP). It has tested the assumptions behind the Co-op's proposals, looked at the economic impact of Pennbury, its impact on regeneration of the City and other urban areas and its effects on other major development sites. It has also examined the Government's draft PPS and Sustainability Appraisals.

10. As part of its deliberations the Panel also invited representatives of statutory bodies and other external witnesses to assess the impact the proposals may have on their services and the area and its surroundings where such information was not already available. The Panel decided at the outset not to invite or involve pressure groups who were campaigning on the issue as these bodies had other means of getting their message across. The following witnesses were invited by the Panel:-

WITNESS	BRIEF
Graham Ramsbottom, Ruairidh Jackson, Emily Watts, The Co-op	To present their vision for the eco-town and to respond to questions from the Panel on key issues, such as employment, transport, education, water and energy. (Appendix A)
Kitt McGrath, Homes and Communities Agency	
Andrew Granger, Andrew Granger & Co. Estate Agents	To advise on the demand for housing and 'eco housing' within the context of the current market climate. (Appendix B)
Paul Tame, National Farmers' Union	To advise on the grade of farming land that would be lost to the proposed development and the possible effects on food production. (Appendix C)
John Nicholls, Leicester Regeneration Company	To advise on the effects the proposed development could have on the regeneration of Leicester City. (Appendix D)

John Dean, Former President, Royal Town Planning Institute	To advise on the planning process and policy context in respect of eco-towns and Pennbury in particular. (Appendix E)
The Transportation Team, Leicestershire County Council	To advise on the likely impact the proposed development could have arising from transport modelling work which had been carried out by the County Council. (Appendix F)
Ivan Court and John Ainsworth, Leicestershire Aero Club (site visit)	To show the scale of the proposed development site and inform of the likely impact on the Club and Leicester Airport. (Appendix G)
David Seviour, Former Chief Executive of Leicester Housing Association	To advise on affordable housing, the impact the proposed development could have on housing in the City and County and the role of Registered Social Landlords. (Appendix H)
Mr. S. J. Galton CC *, Local member for Launde	To advise on the likely impact of the proposed development within a local context. (Appendix I)
David Brazier, Leicester Shelter Housing Aid and Research Project	To advise on housing need, homelessness and the possible contribution Pennbury could make to meeting housing need. (Appendix J)
Matthew Foster and Andrew Marsh, Severn Trent Water	To advise on the likely impact of the proposed development on water supplies, the sewerage system and sewage treatment. (Appendix K)
Steve Dibnah, Leicester Shire Economic Partnership and Simon Smith, Warwick Business Management Ltd.	To advise on the recent Leicester Employment Land Study and the employment proposals for Pennbury. (Appendix L)

Jeremy Richardson,
Scott Wilson

To advise on the Sustainability
Appraisals carried out on the draft PPS
and Pennbury
(Appendix M)

** Mr. S. J. Galton CC represented the views of the Launde and Gartree electoral divisions, as the local member for Gartree, Dr. R. K. A. Feltham CC, was unable to attend the meeting.*

11. The following representatives were unable to attend meetings with the Panel, but did submit their comments on the proposed development:

WITNESS

**The Campaign for the
Protection of Rural
England (CPRE)**

Appendix N

**The Environment
Agency**

Appendix O

Timetable and constraints on the Panel

12. The County Council and other statutory partners are required to submit their comments on the detailed proposals submitted by the Co-op by 6 March 2009. The Panel was therefore aware that it would need to have gathered its evidence by early December to enable it to produce its report in time to allow consideration of its findings by the Scrutiny Commission and Cabinet prior to the end of the DCLG consultation period.
13. Given that the Panel could only commence work once the preferred option had been put forward by the Co-op (mid September 2008) and that many of the studies and documents referred to in paragraph 9 were not available until November, the Panel is aware that its review was not as thorough as it would have liked.

Findings of the Panel

14. A summary of the findings of the Panel, which are in the form of key issues the Scrutiny Commission and Cabinet should have regard to in formulating their responses, are set out below. The appendices to this report set out the documents considered and detailed discussions held with invited witnesses.
15. Following an introductory section on the policy context, the key points the Panel would wish the Cabinet to reflect on in formulating its response are set out under the following headings, which correspond

with the Co-op's Key Masterplan visions and other key areas the Panel wish to address:-

Policy Context
Land Use & Densities
Transport
Housing
Community and Regeneration
Environment
Health and Wellbeing
Food and Farming
Education & Skills
Employment & Economic Vitality
Energy and Climate Change
The Great Park
Governance and Management
The Strategic Assessment
The Sustainability Appraisals
Views of the CPRE
Views of the Environment Agency

POLICY CONTEXT

16. In considering any development proposals, it is essential that they are assessed against existing policies and established procedures. The Panel therefore devoted time to examining these issues.

Planning Policies and Procedures

17. The planning system is based on a plan led approach. Development needs and proposals are normally required to emerge from consideration at national, regional and then local level, with community and democratic involvement in the process. This allows for a number of different development options to be considered and compared. The Panel noted that the Pennbury proposals have not emanated in this way. The reality is that a site specific proposal has been identified in a national Planning Policy Statement. This runs totally counter to the plan led approach. In the case of Pennbury, the problem is compounded by the fact that the Pennbury area was actually considered as a possible location for development during the preparation of the current Regional Plan but was rejected as being unsuitable partly because of its very poor transport infrastructure and environmental constraints³.
18. The sequential approach to selecting land for development and the priority for the regeneration of brownfield sites has long been a fundamental aspect of planning policy. For many years, the Government's policy has been to give priority to town/city centre sites, then to edge of centre sites, then to edge of town sites and *only* then to green field sites. Such an approach has done much to bring investment to old urban areas, and with it, subsequent regeneration. As essentially a green field site in a rural setting, Pennbury would be very unlikely to meet any sequential test as a preferred location for development in Leicestershire. Indeed, Pennbury has emerged as a landowner driven proposal with seemingly no regard for policy context or location suitability.
19. The Panel noted that the local planning policies for the Pennbury area were contained in the Structure Plan and Harborough District Local Plan but most of these policies have now expired. However, as important contextual information, it is helpful to understand something of the policy background. It could also be argued that local authorities must have regard to policies in statutory plans until they are replaced by new ones.

³ This is documented in the report on the Regional Plan Examination in Public and also in the "Leicestershire Sustainable Urban Extensions Sustainability Appraisal" carried out by Hyder Consulting in 2007 and the "Leicester Principal Urban Area Housing Land Availability Assessment" undertaken by Roger Tym & Partners in 2007.

20. At the sub regional level, the saved Structure Plan Polices (Housing Policies 1 and 3) show a total of 7550 new homes needed in Harborough between 1996 and 2016. On the basis of dwellings completed and those in the pipeline, these Structure Plan targets will be comfortably met. 50% of these should be provided on brown field sites. Pennbury is not therefore required to meet this local need, although, clearly there will be a need for more housing after 2016 which will have to be provided.
21. At the local level the Harborough District Local Plan policy EM/9 specifically prohibits development not associated with the airfield. EM/10 countenances the use of existing redundant buildings for employment purposes but with restrictive clauses relating to access, road capacity and retailing. Other parts of the Pennbury area would be subject to green wedge development restrictions (EV/2), or policy EV/4, which protects areas of particularly attractive countryside from development which would affect the character and appearance of the landscape and countryside. The green wedge policy in this location has been very important in maintaining the separation between the City and surrounding villages – the Pennbury proposals would erode and seriously undermine the green wedge policy. The details of these policies can be found on the Harborough District Council website in the Local Plan Written Statement.

Regional Plan

22. In relation to the Regional Plan (Proposed Changes July 2008 version) there are a significant number of areas where Pennbury does not conform with policy. Policy 3, which seeks to achieve a concentration of development in urban areas, is almost entirely at odds with the Pennbury scheme, as are policies 20 and SRS4, which seek to establish priorities for Employment Land at both the regional and 3 Cities levels. There is also incompatibility in relation to policy 51, which seeks to establish regional priorities for integrating public transport. Against this however, the Panel noted that Pennbury could address some of the requirements of policies 43 and 50, which seek a reduction in car use and the development of locally sensitive and innovative transport solutions.

Regional Housing Strategy

23. In relation to Regional Housing Strategy (Consultation Draft April 2008), the lack of detail in the Pennbury proposal prevents a clear assessment of many of the objectives and policies. However, policies 5, 6 and 7, which deal with bringing back into use vacant homes, preventing damaging the viability of rival schemes and dealing with the needs of key workers, are clearly identified as incompatible. Objective 7, which calls for a robust response to the housing needs of an ageing population, is also identified as incompatible with Pennbury. However,

Policy 10, which seeks to reduce costs-in-use for households, would be compatible.

Local Housing Strategies

24. Local Housing and Homelessness Strategies for Oadby and Wigston and Harborough have also been assessed. Pennbury is seen as being incompatible with the needs of BME (Black and Minority Ethnic) or vulnerable people and the aim of reducing empty homes. However, there is an identified compatibility in relation to achieving the Decent Homes Standard and the opportunity to maximize affordable housing.

Economic Strategies

25. In economic terms, the Panel noted that with the Regional Economic Strategy and the Leicestershire Economic Strategy there are a series of incompatibilities based on the potential risks of job and investment diversion. However, there is some compatibility in relation to the objectives of achieving links between new homes and jobs, the promotion of the County as a centre for innovative environmental businesses and opportunities for renewable energy.
26. A more detailed assessment of the policy context for Pennbury is contained in work undertaken by Halcrow in their Strategic Assessment.

Panel Conclusions

- (a) **The Pennbury proposals do not accord with the accepted plan led approach to planning. Major development proposals would normally be considered via Regional Plans and Local Development Frameworks thus providing a full opportunity for democratic and community involvement in the process. Pennbury has been put forward as a site specific proposal in a national Planning Policy Statement – this is a very unorthodox way of dealing with major developments. It is a landowner led proposal rather than a plan led proposal.**
- (b) **The Pennbury area had been considered as an area for major development during the preparation of the current Regional Plan but had been rejected as being unsuitable.**
- (c) **Local planning policies for the Pennbury area did not support development but did protect the area as green wedge land and, in the expired local plan policy, as attractive countryside.**
- (d) **An examination of other policy documents shows that, while Pennbury may be compatible with some policies, there are many with which it is not.**

LAND USE AND DENSITIES

The Co-op's Proposals

27. The Co-op states that the eco-town would combine civic, commercial and residential areas within a clear and compact town structure. The scheme covers 1886 hectares with "The Great Park" being 1286 hectares. Gross development is 600 hectares comprising 421 for development and 179 for open space. Development avoids the existing villages of Stoughton, Little Stretton and Houghton but comes within 150 metres of Oadby and Great Glen.
28. The Gartree Road is the natural divider for the different land uses. To the south, light industrial and manufacturing is proposed; to the north, the land would be used for the main office and commercial district together with quarters for retail and recreation. To the east of Gartree Road would be three quiet residential neighbourhoods integrated with more active and urban local centres.
29. The Co-op claim that by structuring the various neighbourhoods in this way and mixing housing types in each area and on each street, diverse and varied patterns of living can be supported and generations of residents will be able to live, work, play and grow older together without needing to leave their community or home town.
30. The density of housing will range between 40 and 75 dwellings per hectare at an average of 60 dwellings per hectare in the eco-town. Higher density areas will be situated close to the town centre, on the edge of open green spaces, or at the main transport hubs around the local centres. This will give a larger number of people access to the town's amenities without need for the use of the car.

The Panel's Deliberations

31. The Panel could see the merit in the mix of development proposed for Pennbury and the generous provision of open space. It could see the logic of moving the development away from the existing villages of Stoughton, Thurnby and Houghton on the Hill (thus attempting to preserve something of their identity) but it was concerned that the new location took the development to within 150 metres of Oadby and Great Glen. This not only erodes the original green wedge status of the area but potentially turns Pennbury into a sustainable urban extension. The draft PPS requires eco-towns to be well linked to, but distinct from, existing settlements. It is now questionable as to whether Pennbury fits this definition. It should also be noted that Pennbury would actually engulf the existing development at Chestnut Drive near Great Glen. The Panel also noted a lack of detail about "The Great Park" and

queried the extent to which it will be open to the public – this is dealt with further in the section on “The Great Park” (see page 61).

32. There is no evidence from the proposals to suggest that the development has been carefully integrated into the wider landscape. A focal point seems to be the Airport, with the land uses and the design related initially to this, rather than the natural environment. Some of the development proposed by the Co-op will be three, four or five storeys high and where this relates to the high ground of the Airport, the development will be visually very intrusive in such a rural setting.
33. The planned housing densities are very high and more akin to a major urban area than a rural location. The Panel acknowledges the need for higher density housing but is concerned that the density at Pennbury would be too high for the area. The issue of density is considered further in the section on Housing in this report (see page 33).

The Government’s Sustainability Appraisal

34. The Government commissioned Scott Wilson Group to carry out a Sustainability Appraisal of the draft PPS and the Pennbury location⁴. Their conclusion on the Pennbury location included the following weaknesses in paragraph 2.8.2:-
 - Despite the focus of development at the airfield site, development of green field land is considerable;
 - The rural tranquil landscape will experience a high magnitude of change.

Leicester Airport



35. The Panel carried out a site visit to Leicester Airport to look at the Pennbury proposals on the ground and also to consider the implications of the proposals for the Airport itself. The Panel noted that:-
 - The Aeroclub had been in existence for 50 years and was the oldest aero club in the country. There were 500 club members. Approximately 60% of the flights to and from the Airport were for leisure/pleasure purposes and 40% were for business purposes. There would be scope to develop the business side of the Airport

⁴ <http://www.communities.gov.uk/documents/planningandbuilding/pdf/pennbury.pdf>

more and to involve the local community in their activities. The Club had a 13 year leasehold agreement with the Co-op;

- If the proposal for the eco-town was to go ahead there were possibilities for relocation of the airfield and discussions with the Co-op were ongoing in this respect. The relocation of a like-for-like airfield would take around five years to build and cost in the region of £20 million. It was hoped that the Club would be able to relocate to a site in Leicestershire, although this was unlikely due to a lack of suitable and available sites.

36. The Panel also sought guidance from the AOPA (the Aircraft Owners and Pilots Association) on likely future demand for flights at the Airport, the possible consequences if the Airport were to close and the possibility of finding an alternative site for the Airport. In summary, the responses AOPA provided were as follows:-

- In normal circumstances there would be a slow increase in the amount of flying carried out at Leicester. This is in accordance with a national trend over past years. The current economic situation, though, could cause a temporary setback and there might be a short-term reduction. However, in the future, there should be an increased demand for flying facilities;
- Any increase is likely to be a mixture of leisure and business traffic. The latter, in particular, could see the greater increase as there is growing frustration with airlines over the problems of travel or short-haul services. In a light aeroplane and with adequate availability of aerodromes, a person is able to fly to a point much closer to his or her intended destination;
- The loss of the aerodrome would be disastrous, both for residents of the area and for people who wish to visit, whether for business or leisure purposes. There is a need for a geographical spread of aerodromes within easy reach of all centres of population, commerce or industry. Recently, the Government, through the Department for Transport, has supported this;
- It would be almost impossible to find an alternative site. Whilst residents living near the existing aerodrome have become accustomed to its existence, people with properties close to any proposed new site would likely raise endless objections, with false ideas about the level of environmental disturbance that any such new aerodrome would generate.

37. The Panel received a further report which looked at the possibility of the Airport moving to another location. As it serves the Leicester area, the site needs to be relatively local. There seems little prospect of moving to an existing airfield. An obvious possibility would be Bruntingthorpe but the local authority has imposed strict limits on the

number of flights permitted at the airfield which would make it difficult to accommodate the Aeroclub. The Panel also noted that the Airport does bring benefits to the local economy and that there is potential for more to be done in this respect with the local authorities and other stakeholders working in partnership with the Airport.

Panel Conclusions

- (a) The Panel can see the merit in the mix of development proposed for Pennbury and the generous provision of open space.**
- (b) Given its proximity to Oadby and Great Glen, it is questionable whether Pennbury now fits the eco-town requirement of being well linked to, but distinct from, existing settlements. It looks now more like a Sustainable Urban Extension.**
- (c) Pennbury will be very urban in form, visually intrusive and not in keeping with the rural character of the locality.**
- (d) The amount of green field land lost will be, in the view of the Government's own advisers Scott Wilson, "considerable".**
- (e) The possible loss of the Airport would deprive the area of a much used and needed facility. The chances of finding an alternative site for the airport have been described as being almost impossible. The airport brings benefits to the local economy – these could be maximized with appropriate partnership working.**

TRANSPORT

The Co-op's Proposals

38. The Co-op's transport strategy is based on achieving a step change in how people move between and within places. Their aim is to reduce the need to travel (particularly external to the development) and to promote the use of more sustainable transport modes. In line with the Government's eco standards, the emphasis is very much on walking, cycling and public transport.
39. The Co-op's intention is to provide a public transport system, including some 'state of the art elements', offering a high quality, high frequency and convenient service and including a number of "smarter choices" measures. A rapid transport link to the City Centre is proposed - initially this would be bus based. The Co-op plan a segregated busway parallel to Gartree Road but, elsewhere, the Co-op propose that the link can be accommodated within the existing carriageway (Stoughton Road, Manor Road, Knighton Grange Road, London Road, Charles Street and Humberstone Gate). The Co-op will commit £5 million for feasibility work to assess the potential for a tram. This would need to be part of a wider sub-regional transport strategy. Bus services to the General Hospital, the junction 21 employment areas and Oadby and Wigston would all be improved, although there is no suggestion at this stage that there will be accompanying bus-priority measures.
40. Only one park and ride site is proposed – on the A6 – with reference being made to a possible location at the Racecourse. A second park and ride scheme was originally considered for the A47 or Gartree Road, but this was subsequently ruled out. Within Pennbury, one car parking space would be provided for every two dwellings (unprecedented in the UK for a development of this nature). There would be some completely car free residential areas and others with remote car parking. In keeping with eco-town guidelines, parking for offices and employment areas would be limited with standards similar to those in Leicester City Centre.
41. Three new single carriageway access roads would be provided into Pennbury – from the A6, the A47 and Gartree Road. Measures would be introduced to prevent rat running and it is not intended that this route would provide a strategic role in terms of traffic travelling around the edge of the City. Gartree Road would be closed to through traffic to the east of Gaulby Lane and would become instead a 'green lane' through the eco-town with priority for pedestrians and cyclists with, possibly, restricted vehicle access. Gaulby Lane would also be closed to the east of Stoughton village – this would prevent rat running through Stoughton and Thurnby, while at the same time retaining local access.

42. The Co-op has decided that it will not complete the Eastern District Distributor Road in any form. Initially, it appeared that it might be the Co-op's intention to complete the route but it was later clarified that it was considering building part of the route – between Gartree Road and the A6 at Oadby – to provide for the rapid transport link, although this no longer forms part of the Co-op's proposals either.
43. Established best practices will be used to reduce the impact of construction traffic. This could include the creation of a rail freight siding to the south of Great Glen. The Co-op has stated that its initial discussions with Network Rail have indicated that this could be possible.
44. The Co-op has commented that, while the transport work undertaken has been far more detailed than that undertaken for the RSS, it recognises that further work is needed to confirm and refine this strategy.

The Transport Assessment

45. The Panel received a presentation on the Transport Assessment. This had modelled the impact the Pennbury proposals would have on the surrounding area and considered improvements and mitigation measures which would be needed. This work had been led by the County Council in conjunction with other stakeholders including the Co-op and Leicester City Council.
46. The Panel noted the following points that arose from that meeting:-
 - The transport modelling that had been conducted, whilst complex, had not been as comprehensive as officers would have liked, due to the time restraints imposed by the Government led eco-town process. It was to be noted that the results garnered were from modelling undertaken over a period of three months - the time normally taken for modelling a proposal of this size would be two years;
 - The modelling undertaken had suggested the Co-op had an ability to deliver Pennbury without serious traffic impacts but only if it was to successfully deliver its whole transport strategy;
 - Furthermore, there were a number of concerns as to whether the strategy was realistically achievable, including the following:-
 - The levels of car parking restraint (one space for every two houses) that the Co-op aspired to was unprecedented and appeared inconsistent with the nature of the population the Co-op sought to attract in order to maintain an independent living and working town.

- The nature of the population that the Co-op was seeking to attract was reflected in their intended employment offer – high quality research jobs, for example. Any mismatch between population and employment offer affected the levels of external trip generation, i.e. numbers of residents who travelled from Pennbury to work and numbers who travelled in to Pennbury to take up the jobs;
 - It was questionable as to the extent to which remote car parking solutions were practical and secure and how parking spaces would be allocated and enforced;
 - While a proportion of the population would want to travel for employment purposes into the City Centre via the rapid transport link, the modelling suggested that similar numbers would also need to travel to surrounding towns such as Oadby, Wigston, Market Harborough and Kibworth and to employment areas in other parts of the urban conurbation such as the Meridian and Hamilton. It was not clear how links to these areas would be improved. On current projections, additional bus services would not be self-funding and would therefore require substantial long term subsidy. Furthermore, the Co-op was not proposing any supporting bus-priority measures and, given the degree of existing traffic congestion in these areas, it was not clear whether these additional bus services would be sufficiently attractive to Pennbury residents;
- The provision of a tram system would be very expensive and, in terms of serving Pennbury alone, appeared to offer marginal benefit in comparison with the Co-op’s bus based proposals. (The modelling work has not looked at any wider benefits to the existing population along the rapid transport link.) Building a tram system would be difficult as buses would still have to run during the tram construction period;
 - Creating an effective transport system would be difficult in the early days of the development because there would be few people living or working in Pennbury;
 - There were also concerns as to the effects on local traffic flows as a result of goods and raw materials moving in and out of the site during its construction phase and beyond;
 - At first sight, the proposed ‘smarter choice’ measures appeared good but there were questions as to how effective they would be. If they did not work, residents and workers would be likely to seek alternative arrangements for travel and the positive eco effects of the transport strategy would be compromised;

- Pennbury's ability to attract higher end employment opportunities would likely be restricted by the lack of car parking in the town;
- If manufacturing businesses were established then the movement of materials into Pennbury and finished goods from Pennbury could create transport problems. The area has very poor links to the strategic road network and the Co-op has no plans to build any new roads or improve any of the existing roads;
- The Co-op indicated that it was considering the possibility of maintaining the roads (and possibly other infrastructure) themselves and was not looking for them to be adopted. This raised significant questions about ensuring satisfactory maintenance and enforcing road regulations.

The Bus Rapid Transit Proposals

47. Based partly on the discussions about the Transport Assessment, the Panel decided that it wanted to look in a lot more detail at the Bus Rapid Transit (BRT) proposals and, in particular, at its proposed route. The Panel therefore carried out a site visit following the proposed route from the City Centre to Pennbury.
48. Members were transported along the proposed route that the BRT link and tram route would take along Humberstone Gate, Charles Street, London Road Guildford Road, Knighton Grange Road, Manor Road, Stoughton Road and Gartree Road. The duration of the visit was at off-peak time and, for this reason, it was difficult to assess the levels of traffic congestion along the route.
49. The point was made that, while responsibility for transport matters within the City clearly rested with the City Council, the County Council needed to understand if the Co-op's transport proposals would work out in practice. The County Council also had a practical interest, if congestion on London Road led to difficulties on roads in the County. Responsibility for transport matters in Oadby and Harborough rested with the County Council.
50. High quality public transport is an essential part of the Co-op's eco-town proposals. The Co-op has indicated that it intends to accommodate its BRT proposals within the existing carriageway, with the possibility of minor improvements at some junctions. Detailed plans of the route have been requested from the Co-op but have not yet been received. Eventually, the Co-op's intentions will be to have a bus running every three minutes into and out of the City Centre. The Panel have noted the following points arising from their site visit:-

Charles Street/Humberstone Gate

51. If the terminus is to be located on Humberstone Gate, then there would probably be enough space to accommodate the necessary bus movements into and out of the terminus. However, the site already suffers from heavy bus traffic congestion with potential consequent delays (see Fig. 1).



Fig 1. Charles Street bus terminus

52. Part of Charles Street is already 'bus only', which would provide the BRT with the priority it needs but for the rest of Charles Street, buses would have to share road space with other vehicles. However, the amount of other traffic does not seem to be that great and, in any event, there is scope to introduce dedicated bus lanes, if required.

London Road (Station Street to Granville Road)

53. The Co-op's proposals include an improved interchange at the Train Station on London Road. This is possibly achievable, as there seems to be enough space to carry out improvements (see Fig. 2). There would, however, be potentially high costs if the works necessitate any movement of services.
54. Between the Train Station and Granville Road, there are two lanes leading into the City Centre but the inside lane is largely used for car parking. It would be possible to convert the inside lane into a bus lane to give the bus the priority needed but this would mean an inevitable loss in car parking and questions remain as to whether this would affect small businesses in the area (see Fig. 3). There is virtually no scope to widen the carriageway and the creation of a bus stop at University Road will be difficult to achieve if the Co-op intends to have a pull-in lay by at each stop. Without this, buses stopping would

impede other buses and/or other traffic. On this stretch of London Road leading out of the City, there is already a bus lane for a significant part of the section. There is some car parking which, if removed, would help to give the bus the priority needed. There is virtually no scope to widen the carriageway and the provision of the bus stop at University Road could, again, be problematic.



Fig 2. Leicester Train Station, London Road (looking north)



Fig 3. London Road (looking north)

London Road, (Victoria Park area)

55. There are currently two lanes going into the City Centre with one used in part for parking (see Fig. 4). The parking could be removed to create a bus only lane if necessary, although, if this is done, it would reduce capacity for other road users. Although the Co-op has said they would not widen any roads, land could be taken from Victoria Park to create additional carriageway space, if necessary. This could, however, be an expensive option and the loss of parkland would be a sensitive environmental issue. There are two lanes going out of the City Centre. The inside could be made a dedicated bus lane for this stretch of road, although this would reduce capacity for other vehicles and there is already a serious congestion problem during the evening peak times. Additional capacity could again be created by taking land from the Park.



Fig 4. London Road, Victoria Park (looking north)

London Road Mayfield Roundabout to Guildford Road

56. The proposals indicate that the Mayfield roundabout would be converted to a traffic signal controlled junction (see Fig. 5). This would increase capacity but the loss of what is regarded as an attractive feature could lead to local objections.



Fig 5. London Road, Mayfield roundabout

57. This section of London Road, which runs for over a mile, consists of two lanes going into and one coming out of the City. There is no existing bus priority lane coming out of the City and no scope to provide one within the existing carriageway. Going into the City, there is an existing bus priority lane from Guildford Road to Knighton Drive and from north of Clarendon Park Road to the Mayfield roundabout (see Fig. 6). The presence of right turning lanes and pedestrian refuges (both needed on such a busy road) makes it impossible to provide a complete bus priority lane along the entire length of the road (see Fig. 7). The London Road/Knighton Road/Stoughton Road junction is already very congested at peak times and, other than through further traffic light controls, there is no scope to introduce any bus priority (see Fig. 8).
58. The Co-op has not proposed any road widening but it would, in any event, be difficult to achieve – it would require acquiring land from many third parties which would be very time consuming and costly. This stretch of London Road is virtually all within a conservation area and is a very mature attractive tree lined environment, which does not lend itself to highway widening.



Fig 6. London Road (looking north)

58. The Co-op has stressed the need for improved cycling facilities. At present, there are cycle lanes situated at odd stretches along London Road. A complete route is ideally needed but this appears to be impossible to accommodate within the existing carriageway.



Fig 7. London Road (looking north)



Fig 8. London Road (looking south)

59. Bus stops would be provided at Knighton Park Road and on the City side of Guildford Road. There is no scope to provide the lay-bys proposed by the Co-op within the existing carriageway. It is possible that additional land at Knighton Park Road could be acquired but it would seem to be very difficult at Guildford Road.
60. Taking these factors into account, Members feel that the current proposals would not deliver the high quality public transport which the Co-op claims. This section of London Road is already very congested and without complete bus priority lanes into and out of the City, the public transport proposals would appear not to work. Removing cars from London Road would clearly solve the problem but there are no acceptable alternatives to London Road.

Guildford Road turnoff/Knighton Grange Road

62. This will be a particularly difficult junction to accommodate bus priority measures. The Co-op has indicated that they would carry out some junction improvements but no details have been made available at the time of publication of this report. There is some space adjacent to the carriageway by the dental practice but, elsewhere, any improvements would require the acquisition of third party land with consequent costs and potential delays (see Figs. 9 and 10).



Fig 9. London Road junction (looking toward Guildford Road)

63. Knighton Grange Road is a two lane residential street which has some on-street parking (see Fig. 11). Buses would have to share a lane with other traffic but, given that the road currently carries only small volumes of traffic, this would not appear to be a major issue. Removal of the car parking would further aid traffic movement along the road. Any widening of the road would necessitate the removal of a large number of mature trees.

Manor Road

64. Manor Road is a two lane road similar to Knighton Grange Road, only slightly wider (see Fig. 12). It carries more traffic than Knighton Grange Road. Buses using this road would have to share road space with other vehicles. The development of Pennbury would increase traffic on Manor Road but buses sharing a lane would probably not create an insurmountable problem.



Fig 10. Manor Road/Guildford Road/London Road junction (looking west)



Fig 11. Knighton Grange Road (looking west)

65. A bus stop would be provided on Manor Road. This appears to make sense, as it would allow students from the many halls of residence to use the BRT. It would be difficult to provide a lay-by within the carriageway but there may well be scope to provide one without needing to acquire third party land.



Fig 12. Manor Road (looking west)

66. The Knighton Grange Road, Manor Road and Stoughton Drive is a very busy junction (see Fig. 13). Stoughton Drive is currently the priority road – this would need to be changed to give priority to buses on Manor Road/Knighton Grange Road. This could be costly.



Fig 13. Manor Road (looking west)

67. At this point the BRT route differs from the proposed tram route. The tram route would run adjacent to Manor Close following the line of the original route for the Eastern District Distributor to link up with Gartree Road (see Fig. 14).



Fig 14. Manor Road/Blackthorn Road (looking west)

Manor Road/Stoughton Road Roundabouts

68. It is likely that the double mini roundabout at this junction would be converted to a single roundabout.
69. It seems very unlikely that a bendy bus of the type proposed by the Co-op would be capable of turning left at such a tight bend onto Stoughton Road (see Fig. 15).
70. The road at this point is particularly narrow and road widening here does not appear to be easily achievable.

Stoughton Road/Gartree Road

71. Stoughton Road is a narrow two lane road where buses would have to share road space with other traffic (see Fig. 16).



Fig 15. Manor Road/Stoughton Road junction (looking north-east)



Fig 16. Stoughton Road (looking north)

72. The Co-op would provide a new separate dedicated bus way running alongside Gartree Road from east of Gaulby Lane. As it owns this land, delivery should not be an issue, although Members feel that a number of mature trees could potentially be lost as a result of this (see Fig. 17). This would provide the dedicated space needed for an efficient high quality bus service.



Fig 17. Gartree Road/Gaulby Lane turn-off

73. To the east of Gaulby Lane, Gartree Road would be closed to through traffic but would be available for use by buses (see Fig. 18). This should help to provide for a good bus service but its closure would result in a worrying increase in other traffic using alternative routes.



Fig 18. Gartree Road (looking west from Leicester Airport)

A6 Park and Ride Site – the Racecourse

74. The Co-op proposed that the park and ride site is located on land owned by Leicester Racecourse, although no agreement has been reached with the Racecourse owners. There are also questions as to

whether a large park and ride site used every day of the week would accord with local planning policies.

75. While this location may pick up possible users who live in Oadby, it may be too close to the City to encourage drivers to stop and leave their cars. The fact that there would be no continuous dedicated bus route in both directions along London Road would be likely to deter people from using the park and ride.

Air Quality on the Proposed BRT Route

76. The Panel sought informal guidance from the City Council about existing air quality on the proposed route of the BRT and how this might change if Pennbury were to be developed. The Panel noted that both the A6 and A47 have just about acceptable air quality for significant stretches but there are sections where air quality does not meet the required standards. The position is, however, considerably better than along certain other roads, such as St. Matthew's Way. Air quality on Gartree Road and Manor Road is satisfactory. Understanding the full impact of Pennbury would require a lot more information and analysis. However, Pennbury will bring increased traffic including more buses – this is likely to bring some deterioration in air quality, which could be offset by improved technology in the vehicle fleet.

The Government's Sustainability Appraisal

77. The Government commissioned Scott Wilson Group to carry out a Sustainability Appraisal of the draft PPS and the Pennbury location. Their conclusion on the Pennbury location (paragraph 2.8.2.) included the following weakness:-

“ ...the two main roads going into Leicester which run alongside and through the proposed location are generally acknowledged to be at capacity during peak flows, and car use in the existing area is notably high. Therefore the public transport solution is the key element of the scheme in terms of the need for excellent access to the City Centre, rail transport, and improved services for satellite rural settlements. The planning of a tram or rapid bus route to the edge of Leicester is relatively easy, but the second part of the route into central Leicester is more difficult. This is essential in ensuring a low carbon development.”

Proposed Rail Freight Siding

78. The Co-op has stated that it would like to create a new rail freight siding off the Midland Main Line (MML) to the south of Great Glen. This could be used to bring in construction materials, thus helping to ease pressure on existing roads. The Co-op claims that discussions with Network Rail have indicated that this could be possible. The Panel heard from officers of the County Council that their regular contact with

Network Rail indicated that the MML was effectively operating at capacity and that there would be very little room for additional freight traffic unless the trains could access the sidings at night. The Panel also received two articles from the Rail Journal (December 2008) which reported that freight operators had made a request to Network Rail for extra freight trains but had been told that this was not possible. This was particularly the case because East Midlands Trains wanted to increase the number of trains they run. Without the siding, the pressure on existing roads from construction traffic will be significantly exacerbated.

Panel Conclusions

- (a) The Panel welcomes the Co-op's aspirations to promote the use of more sustainable transport modes but has concerns that the transport strategy in its entirety can be delivered.**
- (b) There is a very real concern that the proposed route for the Bus Rapid Transit system will not provide the buses with the priority needed and, as such, the high quality service will not be achievable. This is particularly the case on London Road between Guildford Road and Mayfield Road where it would not be possible to accommodate dedicated bus lanes. The Government's own Sustainability Appraisal recognises this weakness.**
- (c) If the public transport services fall below the required level then the likely consequence will be more journeys by car, which will be very difficult to accommodate because the Co-op has no plans to increase or improve road capacity. Unacceptable increases in congestion would follow on the County's roads.**
- (d) The proposed car parking standards represent uncharted territory and there is a real concern that they will be difficult to implement without some element of social engineering.**
- (e) The Pennbury area has very poor links to the strategic road network which will act as a deterrent to those wanting to invest in businesses at the eco-town.**
- (f) Any proposals for a tram would need to be the subject of further investigations – initial indications show that a tram would be very difficult and potentially prohibitively expensive to deliver.**
- (g) The limited capacity on the Midland Mainline and the known views of Network Rail indicate that the freight rail siding proposed would be unlikely to come to fruition.**

HOUSING

The Co-op's Proposals

79. The proposals for Pennbury would provide 15000 new houses phased at 1000 per annum for 15 years. The housing mix will no doubt change as the development proceeds but the breakdown is currently shown as one bed flat (3.9%), two bed flat (11%), two bed house (39.7%), three bed flat (4.2%), three bed house (29.2%), four bed +house (7.1%) together with sheltered accommodation. Housing densities will vary across the development (with the highest near public transport routes) but the overall density now stands at 60 dwellings per hectare Residential development would be no more than 5 storeys in height.
80. 30% of the houses would be affordable but some of these may be provided in the City. Preliminary discussions have already been held with the City Council on this issue and the Co-op has indicated that perhaps 5% could be provided in the City.
81. The new houses will be built at the Government's Code for Sustainable Homes level 4 (current exemplary performance) overall and level 6 (zero carbon emissions) for energy and carbon aspects of the code. All homes will achieve the Lifetime Homes standard, CABI's Building for Life Silver Standard, use the HCA Quality Standards and follow Secure by Design principles.

The Regional Plan and Overall Housing Need

82. The Panel considered a report on the Regional Plan and overall housing need. The Proposed Changes to the Regional Plan published by the Government in July 2008 set out a requirement to provide just over 4000 dwellings per annum in Leicester and Leicestershire for the period 2006 to 2026. Sufficient land is already allocated to meet virtually all of this need. The Regional Plan makes no provision for an eco-town at Pennbury. Indeed, the area to the south east of Leicester was considered for possible development in the deliberations on the Regional Plan but was not considered to be a suitable location. The Regional Plan does, however, call for a Partial Review of the Plan to take into account increased housing need figures, stemming partly from the Housing Green Paper of 2007. This Review is now underway but will take many months to complete.
83. The Panel considered a number of factors which suggested that the need for additional housing may not be as great as anticipated in the Green Paper. These included:-
- The current economic downturn has had a severe impact on housing demand and provision in the short to medium term. The

constrained availability of mortgage finance, falling house prices and general economic uncertainty will depress the demand for new homes and cause house builders to shelve development projects. There is local evidence that house builders are already doing exactly this;

- The new economic circumstances are likely to significantly alter migration patterns. The latest population projections and household forecasts will have been influenced by the recent in-migration to the UK and the East Midlands, particularly by migrants from EU Accession countries. The realism of these assumptions is now questionable;
- The House of Commons Environmental Audit Committee, in holding an inquiry into the Government's house building plans, has recently urged the Government to rethink its target to build three million new homes by 2020 in light of the economic downturn. The Committee has warned that pressure to provide land for so many homes - which may not be needed now the housing market has slowed - could lead to green field sites being developed unnecessarily, and that measures favouring brown field sites over green field land should be reintroduced. The Committee is also calling for all new houses to meet high environmental standards, not just those that may be built in eco-towns;
- The Barker Review of Housing Supply⁵ (March 2004) and the Barker Review of Land Use Planning⁶ (December 2006) indicated that a shortage of housing land has contributed to a housing shortage and led to the considerable house price increases seen in recent years creating difficulties for first time buyers. However, in recent months, the amount of housing land has remained the same but prices have fallen, which suggests the availability of houses has more to do with financial markets, the credit crunch and the lending policies of banks and building societies than it has to do with the amount of land available.

84. The uncertainties created by the current economic climate and housing market conditions do raise the question as to whether it is prudent to carry out an immediate partial review of the housing aspects of the Regional Plan at all. The economic slow down means that there should be sufficient housing land available to meet the levels of house building that can be reasonably expected in the short to medium term. The Panel also noted that a large number of dwellings are currently vacant in the City and County. Implementation of the version of the Regional Plan which is nearing completion will make available substantial numbers of housing plots, including at large sustainable urban extensions. Carrying out an immediate review of housing requirements

⁵ http://www.hm-treasury.gov.uk/d/barker_review_execsum_91.pdf

⁶ <http://www.communities.gov.uk/documents/planningandbuilding/pdf/154265.pdf>

using projections and forecasts based on out of date assumptions could lead to a significant oversupply of housing land, which could undermine the urban regeneration and concentration strategy of the Regional Plan and cause the unnecessary release of green field land for housing. The Panel note that there is, therefore, a strong case for delaying the housing aspect of the partial review.

85. The Panel have also considered the fact that work on the Local Development Framework (LDF) is currently progressing to implement the proposals in the existing Regional Plan. It is important that the Partial Review, or any delay to that, does not affect the current LDF work. This must proceed to ensure delivery of the existing Regional Plan. What emerges from the Review at a future date will then need to be the subject of an updating of the LDF at the appropriate time.

Affordable Housing

86. The Co-op's proposals envisage that 30% of the 15000 homes to be built would be 'affordable'. The understanding is that approximately 75% of the affordable houses would be rental properties, with the remainder shared ownership. The Panel notes that, if some of the affordable units are provided in the City, then Pennbury would not meet the eco-town requirement of providing at least 30% of houses as affordable.
87. The Panel has heard evidence that there is a real need for affordable housing in the City and County. The housing waiting list figures give an indication of the numbers in housing need – currently estimated at around 13500 locally. The number of houses available to rent has declined considerably because of the right to buy. Current building rates are below those planned and in the last 6 years only 50% of the social housing planned for has actually been provided. A shortage of available land in the City and viability problems for many of the regeneration schemes have contributed to this shortfall. This problem is being exacerbated by the credit crunch. Housing associations, such as the major Registered Social Landlords, currently receive 30% grant and are required to obtain 70% of their funds from the money markets. The credit crunch and lack of availability of such funds, together with the reduction in the value of their existing stock, will place housing associations in a difficult position just as the demand for social housing is likely to increase. The current build rate is one of the lowest and, given the planned new starts, it is likely that social housing provision through Section 106 Agreements in the City over the next four years would be severely restricted. Pressure for social housing would be increased because households who might have been able to get onto the bottom rung of the housing ladder may not be able to do so because of the credit crunch.
88. Against this backdrop, the proposed development at Pennbury, if delivered as promised, could play an important role in addressing

social housing needs and, in particular, social housing needs for families. The viability of Pennbury and the extent to which it could then deliver affordable housing would depend in part on land values and the Co-op's expectations in terms of a commercial return but the fact that the Co-op and the HCA owned all the land would make it easier to deliver affordable housing.

89. The issues of nomination rights, particularly for residents of Oadby and Wigston and Leicester City, would need to be discussed with the relevant local authorities. It was noted, however, that the greatest demand for social housing lay in the City and at Market Harborough and not in the Pennbury area. If the proposed development went ahead as envisaged, it was likely that it would be the more mobile on housing lists who would move to Pennbury. This would necessitate good transport links with the City and neighbouring authorities to ensure such people were able to keep contact with their families and seek employment. There would still be a need for appropriate employment opportunities at Pennbury. It was also noted that between 30% and 40% of new tenants in social rented accommodation were not in paid employment at the commencement of their tenancy.

The Local Housing Market and House Building Industry

90. Proposals for an eco-town have been discussed informally with a number of house builders, housing associations and others who operate in the Leicestershire area. The Panel received a report which summarised the views expressed. It is not intended to be a definitive statement on the subject but it does give a flavour of some of the issues and concerns raised. There is support for plans to build more houses including affordable houses but a number of concerns, risks and uncertainties have been raised.
91. The proposed car parking standards of one space for every two houses represents a high risk strategy and could adversely impact on saleability. Views have been expressed that it would be extremely difficult to sell houses without a car parking space – especially when selling to families. Pennbury would have a larger proportion of three and four bedroom houses than the average for the City and County. Households living in such accommodation would normally have at least one car. There would be an expectation that a significant number of affluent households may be attracted to Pennbury – in part linked to the type of jobs the Co-op has indicated it would seek to provide. Such households often expect to have at least one car. Enforcing such car parking standards could also be difficult.
92. The Co-op has indicated that it is considering the possibility of maintaining the roads (and possibly other infrastructure) itself and not looking for them to be adopted. For such a large development not to have adopted roads would in itself be very unusual. If this is the case, then it would create uncertainties for builders who would prefer the

tried and tested route of roads being adopted by the local authority. Not adopting the roads could potentially also lead to difficulties for bus operators, for example in respect of insurance.

93. Building at average densities of 60 dwellings per hectare in an existing rural environment would be unknown territory for some builders. It would mean designing schemes from scratch, not being able to use any bespoke designs and, as a consequence, costs would be increased. Densities as high as or higher than this have been achieved in the City Centre but these have been virtually all apartments. Accommodating family houses with an expectation of garden space would be difficult at such a density. It would be possible to provide family houses (three storey town houses) with gardens when building at 40 to the hectare (as envisaged in parts of Pennbury) but this could only happen if a number of flats were included in such areas. Experience from elsewhere in the County has shown that it has been difficult to sell apartments in edge of city/country locations. The proposed densities therefore represent a further risk to builders and could again adversely impact on saleability.
94. Such high densities will necessitate development which is very urban in form. There is concern that this will not sit comfortably with its rural setting. There is also a concern that, at densities of 60 or in cases 75 to the hectare, a significant amount of development will be at least five storeys high. In many areas, this will be very prominent, potentially visually intrusive and, again, not in keeping with the surrounding area.
95. The Co-op is proposing to build 1,000 houses per annum at Pennbury for 15 years. Assuming that 30% will be affordable then that leaves 700 to be provided by the private house builders. Past performance shows that builders struggle to sell more than 50 to 70 houses at any one location. To build 700 houses each year would therefore require 10 or more builders operating at Pennbury. However, the view from the industry is that that would be too many in one area and some would not be prepared to compete in such a market. This adds further risk to the industry.
96. One caveat to the likely number of sales relates to the fact that there might well be a demand for houses at Pennbury from Asian families. The Asian population, which was originally concentrated in Highfields and Belgrave in the City, has moved north to areas such as Rushey Mead and Hamilton and south to areas such as Evington and Oadby. The recently completed development at Stretton Hall has a large Asian population. There would therefore be the possibility of a demand from Asian households, which may help to provide the market needed to deliver the house building rates being considered.
97. The Co-op's intention to build houses which can be readily adapted to meet changing household needs is to be welcomed. The desire to build to high eco standards is also welcomed in principle by the building

industry but many builders are apprehensive about the high costs involved in meeting these exacting standards. It would clearly bring long-term savings for those buying the homes and would thus be attractive to purchasers but the initial extra costs create another uncertainty in the market. Housing associations, in particular, are worried about these extra costs because of the tight financial constraints within which they have to operate. It may be easier for the private sector as they can pass additional costs (or at least some of them) onto the house purchaser.

98. The proposal to provide 30% of the houses as affordable is seen as a very worthy objective. The private house builder would welcome building affordable units which are funded via the Housing Corporation – it provides a measure of certainty at a time of difficult market conditions. However, affordable houses provided via the planning system and heavily subsidised by developers inevitably have financial consequences, which at present builders struggle to deal with.
99. Putting major proposals of this nature together requires a good understanding of the local housing market. With the exception of two registered social landlords, there seems to be no evidence of the Co-op having involved builders active in the area in their deliberations. Pennbury can only be delivered if people are prepared to buy houses in large numbers. It is surprising that the Co-op has not sought the views of those most knowledgeable about the local housing market.
100. Anyone moving to Pennbury will have to be prepared to undergo a fundamental change in their lifestyles and attitudes to meet the town's eco credentials. There was a query from the Panel about the extent to which this represented social engineering.
101. This section indicates the reservations and concerns that could exist about Pennbury. If, however, the Government decides to give Pennbury the go ahead (potentially with Government funding) then there becomes a real possibility of an over supply of housing land. From a marketing perspective, the area to the south east of the City has many advantages and potentially Pennbury would offer a good range of services and facilities. There is therefore a real risk that, if Pennbury went ahead, it would be at the expense of other schemes which are already allocated. This is a concern which is included in Halcrow's Strategic Assessment.

Panel Conclusions

- (a) **Recent evidence related to the financial crisis and changing migration assumptions suggest that the overall need for housing is now not as great as when the Housing Green Paper was produced. There may be logic in delaying the Regional Plan Partial Review until more reliable population and household information is available.**

- (b) The Pennbury area was considered as a possible location for residential development as part of the Regional Plan. The conclusion was that it was not a suitable site for major development. There is no evidence of a need for housing emerging from the Pennbury locality**
- (c) There is, nevertheless, clearly a need for more affordable housing and, in particular, rented accommodation. Pennbury may offer an opportunity to deliver this but, if some of the affordable housing is provided in the City, then Pennbury will not meet the eco-town affordable housing requirements. However, regardless of whether Pennbury proceeds or not, every effort should be made to increase the supply of affordable housing in the City and County.**
- (d) It is clear that there is support for the principles of eco-towns but aspects of the proposals carry many uncertainties and very real risks which collectively lead to major concerns. These in turn will impact on marketability and saleability, which puts a big question mark over deliverability. Eco-towns of the scale envisaged are getting into such uncharted territory that there may be logic at this stage in carrying out only one as a pilot exemplar project. If this is successful, others could follow, but to develop a number now could prove to be a very costly mistake.**
- (e) If the roads in Pennbury are not to be adopted then effective arrangements must be put in place to ensure their satisfactory maintenance and the enforcement of road regulations.**

COMMUNITY AND REGENERATION

The Co-op's Proposals

102. The Co-op's proposals here are designed to engender a sense of community spirit and ownership. They are intended to empower sustainable choices and active citizenship through participation and accountability mechanisms in the decision-making process and to provide the appropriate community infrastructure, including cultural, sporting and recreational facilities.
103. The Co-op claims that Pennbury can act as a catalyst to the regeneration of the Leicester City Region, improve community safety and to further Leicestershire's profile as a sustainable place to live.
104. The Co-op's community strategy is based on building upon and enhancing opportunities that already exist in the local area and where they do not, creating the framework for cohesive communities to flourish. Strategies under consideration include:-
 - Introducing practical mechanisms for people to participate and become engaged with the running of the town;
 - Ensuring the management and function of the town's services and facilities are underpinned by co-operative values and principles;
 - Ensuring real time community information is provided in every eco-town home, possibly via an interactive television screen;
 - Employing community workers to help develop social networks across the eco-town;
 - Introducing key community facilities into the town from day one;
 - Integrating various tenure types and good access to facilities and recreational space from day one;
 - Involving local people in the design of the eco-town via a Design and Development Panel.

Community Proposals

105. The Panel noted that encouraging people to participate and become involved in the running of the town is a requirement of the draft PPS – it is also a commendable objective. There is, however, a lack of clarity about how this would work in practice. This matter is picked up further in the section on Governance and Management (paragraphs 132-137). The provision of real time information in every eco-town home has

much merit as has the introduction of key community facilities into the town from day one. All too often in the past, large residential developments have suffered because the provision of community facilities has often been delayed. The Co-op's proposals for community facilities are therefore to be welcomed, as indeed is the employment of community workers. The capital costs associated with this would be considerable and the expectation would be that these would be met by the Co-op. There is, however no indication given as to how revenue costs would be met. This requires further consideration. The Panel was concerned about the possible revenue implications here for the County Council.

Regeneration

106. The Co-op claims that Pennbury can act as a catalyst for the regeneration of the Leicester City Region, a matter which the Panel has considered in some detail. Whether or not Pennbury will act as a catalyst for regeneration and whether it will complement the regeneration work already underway, or compete with it, are critical issues that remain to be answered. This is a matter relevant not only to the City but also to nearby urban areas such as Oadby and Wigston. What happens in the City has a bearing on the surrounding County area and the City and County Councils are working in partnership on a number of initiatives, such as the emerging Economic Development Company and the Growth Point developments. The Panel has noted the following points in respect of regeneration:-

Competition with in-City housing projects

- There is a threat of 'City flight' by developers who might wish to move away from high cost in-City sites, to more attractive green field sites. A similar threat exists from young and affluent house-buyers who are needed in the City as part of the regeneration but could feel drawn toward an 'eco' development;
- It is not yet known whether the 15,000 units proposed for Pennbury would fall within, or would be additional to, the housing allocation in the Regional Spatial Strategy, which is now being reviewed. If they fall within the allocation, there could be a limited effect on the regeneration but if, as seems likely, they are additional to the allocation, this would be further competition for in-City sites and could have a very damaging effect;
- The likely timing of the proposed development at Pennbury is crucial. If it is on stream at the same time as the City's regeneration schemes there would be competition. If they were phased to a later date then this could perhaps be avoided. If expected building rates are not being met, the attractions of Pennbury could lead to part of the market being top-sliced to the detriment of the regeneration of the City;

- The target demographic for the eco-town is probably slightly different from that of the City Centre. Regeneration projects hope to attract a varied and younger demographic, while the eco-town would more likely be family orientated. The extent to which there might be competition needs to be explored;
- Some residential development has in the recent past been used to cross subsidise employment regeneration projects. If Pennbury is approved, this could limit the scope for this sort of cross subsidy.

Impact of employment in Pennbury

- Competition from the proposed development for growing office, retail and science jobs could risk diverting developer and end-user interest away from the City Centre, where sustainably located sites are ready and investment has been made. Partner confidence could be undermined and delicate negotiations potentially jeopardised by the emergence of a rival site at Pennbury;
- The Co-op's proposals for the office and retail sectors have been presented as self contained and market town in character but this does not seem to be indicative of their original proposals for 2,860 jobs in finance and business services (requiring a space of 67,000 square metres) which would be 500 more jobs than the main phase of the city's New Business Quarter (which would require only 50,000 square metres). The retail floor space proposals are bigger than Fosse Park, which would appear to be disproportionate for local needs though it is noted that the figures are, at this stage, indicative and will be reviewed over the coming months.

Infrastructure

- The ongoing regeneration of the City requires continued public funding support. If the proposed development was to require similar public funding, there is a possibility that the Government and HCA would give it priority over the regeneration of the City Centre.

Panel Conclusions

- (a) **The Panel can see the merit of the Co-op's community plans, although serious questions remain about the detail of the proposals and their funding, viability and deliverability.**
- (b) **The regeneration issues are complex but there seems to be little evidence to suggest that Pennbury can act as catalyst for the regeneration of the City. Indeed, the evidence suggests that the reverse could in fact be true. The prospect of development**

opportunities at Pennbury could well take investment away from the regeneration of the City for the reasons listed above.

- (c) If the Government does give permission for Pennbury, it will be essential that existing Government funds currently available to foster regeneration are maintained and not diverted to Pennbury. If public resources are needed for Pennbury then these should be additional to existing funds.**

ENVIRONMENT

The Co-op's Proposals

107. The Co-op states that its environment objectives are to conserve and enhance the landscape and value of cultural resources, preserve the townscape and visual setting of the existing villages, and create a working environment where biodiversity is protected, enhanced and flourishing via a network of wildlife reserves and active stewardship. It plans to create a built environment in which the use of energy and water and the production of waste is minimised, water resources are protected, natural resources are conserved, sustainable choices are enabled and new innovative environmentally friendly technologies and construction methods are explored. The environment strategy prioritises the protection, enhancement and creation of important Biodiversity Action Plan habitats for nature conservation. It strives to retain historic features relevant to the area and is sensitive to the consumption and conservation of natural resources.
108. More specifically the Co-op's plans include:-
- **Landscape character** – the Master Plan Vision is adaptable to respond to the site's topography and landscape to create a unique character. A Landscape Management Plan will be introduced to enhance existing landscape features, increase biodiversity and ensure success of new planting. A significant area will be opened up for recreation and leisure through the creation of, among other open spaces, the Great Park;
 - **Conservation and heritage** – the cultural heritage of the area has much to offer by way of developing a sense of place. The siting of the eco-town considers the existing historic villages and their settings. All cultural heritage resources will be mapped and strategies developed for their conservation through in situ preservation or preservation by record;
 - **Water** – exemplary levels of water efficiency and demand reduction are proposed. This will be achieved through an integrated sewage and water treatment works on site to treat and recycle water from all building uses. To supplement this, Sustainable Urban Drainage Systems (SUDs) will be introduced and rainwater will be harvested;
 - **Flood risk** – there will be no development within Flood Zone 2 and 3 and measures will be undertaken not only to mitigate flood risks in Great Glen and Leicester but to improve upon the current situation;

- **Waste** – collection of waste for re-use and recycling will be undertaken to meet best practice standards. The Co-op will also introduce initiatives and behavioural change programmes to educate people on waste minimisation and waste reuse. Small-scale, localised waste treatment facilities will be provided in the town to minimise waste being taken to landfill. Anaerobic digestion will be introduced for organic waste from the town and farm to produce energy.

The Panel's Deliberations

109. The Panel is of the opinion that the Co-op's environmental objectives are very worthy but have not been provided with evidence of their deliverability. Questions have already been raised about the extent to which the proposals respond to the site's topography and landscape to create a unique character. This is addressed further in Halcrow's Strategic Assessment. The intention to introduce a Landscape Management Plan is to be welcomed, as is the fact that the cultural heritage resources will be mapped and strategies developed for their conservation through in situ preservation or preservation by record.

The Panel's Consideration of Water Issues

110. The Panel was aware that a number of water issues required detailed consideration and therefore devoted a session to the topic. Guidance was given by Severn Trent Water who attended the Panel meeting.
111. The Panel noted that Severn Trent had had a high level discussion with the Co-op's consultants about water resources and treatment but this had not covered matters in any detail. Severn Trent was preparing a Water Resources Management Plan for the region but this was based on the emerging Regional Spatial Strategy proposals and took no account of a possible eco-town.
112. Arising from the discussion, the following additional points were made:-

Water supply

- The impact that the proposed development would have on water supplies in the area was minimal. There would be no need for new water treatment facilities but there would need to be an extension to the capacity within the current infrastructure to deliver the necessary water supply;
- Three possible options to serve Pennbury were outlined (including extending the existing Stoughton reservoir) but as yet no costs were available for these works. Capital costs could be met by the Co-op as the developer or possibly existing customer base income could be used;

- A priority was being placed on ensuring the current level of water supplied to other areas was not compromised by the proposed development;
- Pennbury's plans for harvesting rainwater would keep other water costs to a minimum. This system would not be maintained by Severn Trent but if there were any problems with this supply, Severn Trent would be responsible for ensuring that a suitable fallback system was in place. Management arrangements (covered in more detail in the Governance section of the report) including the possibility of a 'Pennbury Water Company' would require a lot more discussion;
- The Co-op would be able to abstract their own water if it obtained a license and wished to be responsible for its own supply. It was added that there was currently a drive from the Environment Agency to limit the number of abstraction licenses issued.

Sewerage

- There was no sewerage provision at the proposed development site and there was little spare capacity in the surrounding areas;
- Severn Trent supported Sustainable Urban Drainage Systems (SUDS) but raised the issue that some SUDS may not be adoptable so management issues would need to be addressed;
- Additional sewage treatment capacity would be needed and four options could be considered. It was likely that the preferred option would be to build a new treatment plant specifically for Pennbury (there was already a small works at Little Stretton) or to build a major new works to the south of Leicester, which would serve the eco-town and replace existing facilities for Oadby, Wigston, Countesthorpe, Wistow, Great Glen and Little Stretton. Capital costs had not yet been worked out but would likely fall on the Co-op;
- Sewerage provision for the site would not be problematic assuming that the timescales were suitably managed, with provision for the first units on the development site being a priority;
- The lead time for building a new treatment plant would be roughly three to four years and this was viewed as an immediate issue that required discussion with the Co-op.

The Panel's Consideration of the Waste Proposals

113. The Panel welcomed the Co-op's proposals for waste minimisation and waste reuse. There were, however, questions about the extent to which waste would need to be exported from, or imported to, Pennbury if the proposed waste solutions required extra amounts of waste. The relationship of the proposals to the County's Waste Strategy and the extent to which any costs may fall to the County Council were also raised as queries.
114. The Panel acknowledge that the Co-op's waste proposals are still at an early stage and that detailed discussions between the Co-op, Harborough District Council and the County will be needed.

Panel Conclusions

- (a) **The Panel welcomes the Co-op's environmental objectives and would want to make sure that, if Pennbury proceeds, this vision is delivered. However, further evidence is required to show that the vision can be delivered.**
- (b) **There is recognition that major investment would be needed to provide the water supply, sewerage system and sewage treatment facilities to serve Pennbury. There is currently no capacity but there are options which the Co-op can pursue. At present, none of these options have been explored in detail and no costings have been done. The capital costs for the required works would fall to the Co-op and there would be substantial issues about maintenance and management to resolve. However, investment related to Pennbury could help to solve some of the existing sewage treatment issues in the surrounding area.**
- (c) **More work is needed to consider and assess the Co-op's waste proposals and how they would relate to the County's Waste Strategy.**

HEALTH AND WELLBEING

The Co-op's Proposals

115. The Co-op's objectives here are to provide a safe, clean, attractive urban environment and ensure access to facilities needed to develop supportive communities and encourage healthy lifestyle choices. Urban and rural spatial planning has a strong influence on the health and wellbeing of communities. The eco-town Master Plan Vision recognises the need for health to be considered as part of the urban design process. The following are some of the strategies under consideration:-

- All homes will be designed to meet Government sustainability targets for energy consumption and carbon emissions;
- Noise and air quality targets will be met by minimising emissions;
- High-quality outdoor spaces, including leisure facilities, cycle and walk ways will increase day-to-day opportunities for exercise. A range of facilities such as playing fields, parks, a swimming pool, health facilities, sports hall, cemetery etc will all be provided;
- The Great Park and other natural areas will offer an increased opportunity to access nature and exercise thus promoting mental and physical health;
- Community gardens and the commercial farm will enable residents to access fresh and seasonal produce;
- Tele-care and tele-health will be used to enhance patient care and independence;
- Non-traditional settings for the delivery of health care will be provided, such as in schools or faith-based community centres.

The Panel's Deliberations

116. The Panel welcomed in principle the objectives of the Co-op in respect of health and wellbeing. For some things, the proposals are quite specific (for example outdoor sports facilities) but for others, there is a lack of detail. This applies to the healthcare proposals. The Panel has identified a need therefore for further information including on the delivery of facilities, their subsequent maintenance and management and sources of revenue funding. The Panel also noted that the Co-op would want to discuss these matters further with the local authorities.

Panel Conclusions

- (a) The Co-op's objectives in respect of health and wellbeing are welcomed.**
- (b) Further detailed information is needed on the facilities to be provided, their costs, implementation, maintenance and management. This must include the possible impact on and costs to existing County Council services and the services of other agencies, such as the Primary Care Trust.**

FOOD AND FARMING

The Co-op's Proposals

117. The Co-op's objective for Pennbury is to supply fresh, local, healthy food to the town and involve the community in food production whilst retaining a commercially viable farming enterprise. It intends to increase food grown for direct human consumption, focus on foods that are best consumed fresh, increase biodiversity, be leading edge, either in technology or environmental production, and engage the community either in production, or by increasing public access and education opportunities. Strategies under consideration include:-
- **Farmworld** would be an information centre and demonstrator for the eco-town and would be open to the public as a visitor centre. It would enable people to learn about every aspect of the eco-town including growing food, renewable energy generation and the commercial farm itself;
 - **Community gardens and orchards** would be located as small areas throughout the eco-town to maximise their social impact and impact on both the landscape and bio-diversity. The community gardens and orchards would allow all residents to be involved with food production;
 - **The Co-operative Farms** would build greenhouses to supply fresh fruit through an extended season (between April and November). There is also the possibility that the currently mothballed dairy farm on the site could be brought back into use. Free range eggs and milk produced on the farm could be distributed to homes and local stores in the eco-town as part of a vegetable and fruit box scheme;
 - **Energy proposals** are still evolving but one opportunity would be for the growth of biomass on-site for use in the combined heat and power plant.

The Panel's Deliberations

118. The Panel could see considerable merit in the Co-op's proposals for food and farming as outlined above. However, concerns were raised about the loss of 421 hectares of farmland to make way for the development. This was particularly so when significant amounts of agricultural land have already been lost in the County in recent years and when there is a need to produce more food locally. The Panel therefore took expert advice on this issue of loss of farmland.
119. However, the view emerged that development at Pennbury would not be taking away vital farmland for the following reasons:

- The proposed development represents just 0.23% of the County's total farmed area and would have little effect in comparison to threats such as flooding;
- The farm land at the proposed development site is at grade 3 of an average quality. For example, wheat yields were slightly above average. Yields for beans (for animal feed) and rape are average. The loss of this farmland would not be a major problem. Scope for intensification is limited – it could be done with a number of glass houses but this could create environmental/planning problems. The land could be improved but this would be expensive;
- Part of the proposed development site is old concrete runways or contaminated land due to its current and past use as an airfield;
- The Co-operative group owned over 50000 hectares of farmland across the County and the relatively small loss of farm land to the proposed development would not be detrimental to their business;
- 'Set aside'⁷ was abolished for crops grown across Europe in 2008. This means that 8% more arable farmland will be made available during 2009.

Panel Conclusions

- (a) The Co-op's proposals to supply fresh, local, healthy food to the town and involve the community in food production, whilst retaining a commercially viable farming enterprise, are to be commended.**
- (b) The Panel has concerns about the principle of the loss of farmland but, in the context of the quality of the farmland to be potentially lost and the overall amount still available in the County, the loss of farmland would not seem to be a major problem.**

⁷ 'Set aside' was a policy of the European Union (EU) to pay farmers to leave a proportion of their farm land uncultivated or put to other uses for a period of time. This was done in order to reduce within the EU the over supply of produce to consumers and the over intensification of agriculture which had lead to problems for ecosystems and wildlife.

EDUCATION AND SKILLS

The Co-op's Proposals

120. The Co-op plans to encourage education and skills development in all sections of society by putting education, training and lifelong learning at the heart of the community, linking education directly to employment opportunities and enabling the development of a regional centre of excellence in education for sustainable development. High-quality education provision will be a key element in the overall success of the eco-town. Education will be open to all with an emphasis on developing a well-qualified and skilled workforce. Schools in the eco-town will promote community cohesion and educational attainment.
121. More specifically, the Co-op plans to provide two secondary schools (with around 1100 places) and seven 420-place primary schools. Schools will be provided by the Co-op which will ensure that every child has a school place from day one. At least one of the secondary schools will serve as an academy for sustainable technology. All schools in the eco-town would be federated in order to share an optimised use of resources. Links would be made with other schools in the region, local universities and / or further education institutions. Pre-school facilities would be commercially provided. The Co-op has also stated that it intends to assist under performing schools in Leicester.

The Education Proposals and the County Council

122. The Panel discussed the Co-op's education proposals with a representative from the Children and Young People's Service (CYPS). The Panel noted the following:-
- The Co-op's proposals for two secondary and seven primary schools seemed to be sufficient to meet likely needs;
 - It was not clear if the Co-op understood the process involved in setting up new schools. In essence, all new schools must be proposed by the County Council and then put out for competition. The County would agree which organisation or agency would run each school. This can be a time consuming process;
 - The Co-op has expressed a desire to establish an academy at Pennbury. Academies are normally only permitted in areas of educational under achievement – this is not the case in the Pennbury area. There are doubts therefore that an academy can be established. The Co-op has also indicated that it wants to sponsor a new academy in Leicester City;
 - Capital costs for the building of schools would be met by the Co-op. It plans to provide carbon neutral buildings, which is very

commendable, but raises queries as to the additional costs involved. There is also uncertainty over revenue budgets to maintain their carbon neutral status. Funding for pupils will be on the agreed funding formula across all schools in the County;

- Queries were raised as to how schools would be first established and at what point they become viable. The Co-op's position on this is not clear. Schools may not be viable until they have around 60 children, so there is a potential for start up difficulties. The County Council would want to see a School Plan showing how schools would be established and populated;
- Parental choice means that children from outside Pennbury would be able to attend schools in Pennbury if there is capacity. Similarly, children from Pennbury could go to schools outside of the eco-town, which could put pressure on schools which are already near to capacity. Movement of children to and from schools could also create transport problems, particularly in the development of choice in the 14 – 19 curriculum;
- The proposal that the Co-op will seek to work closely with other nearby schools as a federation makes sense;
- Pre-school facilities would be provided commercially within community facilities and as part of employment provision;
- There are questions as to how the Co-op would plan to deliver services for 14 to 19 year olds. The Co-op hopes to develop links with existing colleges and training and employment opportunities but it is currently not clear how this will happen;
- There seems to be no detail on the provision of special needs education, or on the transport proposals for those with special needs;
- Little is said about the provision of other children and young people's services (services of particular note include safeguarding and youth services) and the potential revenue implications of this. The County Council would have an inspection role and a duty under safeguarding in this respect.

Panel Conclusions

- (a) The Panel welcome the fact that the Co-op would provide what would seem to be an appropriate number of schools and pay for the capital costs.**
- (b) There is a lack of clarity in a number of areas about the Co-op's proposals. These include the commissioning process, the initial**

setting up of schools, the potential revenue implications, the possibility of an academy, parental choice and catchment areas, services for 14 to 19 year olds, special needs education and other Children and Young People's Services. There is also a concern about the Co-op's lack of understanding of academies and their incompatibility with the Pennbury area.

- (c) The Co-op has, however, indicated that it would like to discuss all these issues further with the County Council. This would be needed to consider fully the education and skills proposals.**

EMPLOYMENT AND ECONOMIC VIABILITY

The Co-op's Proposals

123. The Co-op published employment proposals in July 2008. Its plans were to focus on creating jobs in environmental industries and service sector jobs to meet local needs. 14000 jobs would be provided and 60% of the residents of Pennbury would work in Pennbury. Floor space figures, the amount of land required for different types of employment and the type of jobs to be created were all included in their proposals.
124. When the Master Plan Vision was published in October, a lot of the detail of the proposals had been removed. Reference is made to the provision of 14,000 jobs being 'under consideration' for Pennbury but no details are given about the type of jobs. The land use schedule shows 38.8 hectares of employment land with 30 hectares for the Town Centre and 4 for Local Centres but no figures are given for the proposed floor space. No specific retail floor space is given. Nothing specific is said about the sectors to be targeted but the employment plans attempt to ensure that Pennbury reflects the Regional Economic Strategy.

Employment Land

125. It is essential to see the Pennbury proposals in the wider context and, with this in mind, the Panel considered the recent Employment Land Study. This looked at demand and supply for employment land and sought to identify convenient locations for employment land where it was wanted by the market. The Study drew together a number of employment studies carried out for individual districts. The intention was to provide a clear steer for inclusion in LDF work. A key principle of the Study was to make employment land more cost effective and sustainable as projections into the future were for a low carbon economy.
126. The Panel noted the following points about employment land and the employment proposals for Pennbury:-
 - Development ideally needed to be employment led. Residential development would follow. This was not the approach being proposed for Pennbury;
 - There was currently considerable movement between districts with people travelling to work. Pennbury proposed a high degree of self containment but there was a lack of evidence that this could be achieved;

- Previous employment land consultants had stated that the area of land south east of Leicester could become an employment area at some stage in the future but only if the required infrastructure was in place (i.e. the completion of a Southern Relief Road to link up the A6 to the M1). However, the costs of this would not make it feasible;
- The emerging Regional Plan encourages the provision of employment land within urban areas and at Sustainable Urban Extensions (SUEs). In terms of the latter, the infrastructure was good in these areas, they were well placed to accommodate relocations from Leicester City and there had already been interest from the business market in them. It would also be possible to ensure that developments there met high eco standards. The Regional Plan did not see Pennbury as a good location for employment under current circumstances particularly because of its very poor links to the strategic road network;
- It was felt that potential employment sites should emerge via the established planning process and that they should come forward because they have suitable attributes. Pennbury is being proposed largely because the Co-op own land which they have aspirations to develop;
- The Co-op's intention to generate 14000 jobs at Pennbury, at a rate of 1 job per dwelling, was seen as a challenging target, as an additional 36000 residents would normally yield only approximately 7000 jobs. The Co-op's intention was to try to attract jobs which would not compete with employment schemes already in the pipeline – the following evidence suggests that this would be difficult;
- The Co-op's proposals included a significant amount of working from home. However, recent trends had shown that predictions for more home working have not materialised as envisaged, partly because of the need for social networking and exchange of knowledge. It could therefore be difficult to deliver on this aspect of the Co-op's plans;
- The Co-op had originally indicated a desire to attract jobs related to sustainable technologies. However, this was a sector currently being targeted by towns and cities across the country and indeed the world. Most eco-town proposals featured this as an objective. Locally, Loughborough already has an established reputation in this sector (partly related to the University) with capacity to grow. As such, it would be more likely to attract these sorts of jobs than Pennbury. The science park proposals in the City could also potentially be more attractive to businesses of this type. Any proposed manufacturing at Pennbury related to sustainable

technologies would be hampered by its lack of transport infrastructure;

- Pennbury had substantial proposals for office development but it was felt this should ideally be located in the City Centre where accessibility by public transport is best for the whole of the County;
- The Employment Study showed a need for more B2 (industrial) and B8 (warehousing) land. Poor transport infrastructure would mean that Pennbury would not be able to meet this demand. Employment land at the SUEs would be more able to meet this demand;
- The factors listed above indicated that Pennbury would not be able to attract the 14000 jobs envisaged. This meant that, if the number of houses planned were built, then a substantial number of residents would have to travel out of Pennbury for their work. This would have serious implications for the Co-op's transport strategy;
- If, however, the Government gave approval to Pennbury then a robust economic strategy would be required from the Co-op and the local authorities would need to work closely with it. If employment land was developed at Pennbury (and this could need Government financial support for it to work) then the Study suggested that this would lead to an over supply, which could have adverse consequences for employment schemes already allocated for development. An obvious competitor for employment to Pennbury would be the 50 hectares of employment land allocated at the Charnwood South SUE. This could be undermined and with it, the ability to create a mixed community at this SUE. Pennbury would be less likely to compete with the City's New Business Quarter but there remained a possibility that it could be adversely affected if significant office development occurred at Pennbury. There could also be adverse implications for the City's science park. Provision of any Government funding for Pennbury would also be likely to create competition for the limited Government growth point funding available to the sub-regions;
- The lack of an economic strategy for Pennbury remained a major problem.

Panel Conclusions

- (a) The Panel can see the benefits of trying to create a community with a mix of uses including a significant number of jobs.**

- (b) However, the Pennbury area has twice been ruled out as a suitable site for employment development, partly because of its very poor links to the strategic road network. This is a key consideration for potential investors.**
- (c) The Co-op has provided no economic strategy to demonstrate how the jobs proposed would be attracted to Pennbury. However, the Panel notes that there are a number of reasons why Pennbury would not attract the jobs the Co-op envisages.**
- (d) If jobs are not provided in sufficient numbers then many residents will have to travel out of Pennbury for work with consequent adverse implications for the Co-op's transport strategy.**
- (e) If, however, the Government presses ahead with Pennbury and supports the creation of jobs then this is likely to have an adverse impact on existing and planned employment areas.**

ENERGY AND CLIMATE CHANGE

The Co-op's Proposals

127. The Co-op's objectives here are to create an energy efficient town, where carbon emissions during its entire lifecycle are minimised. The plan is to become a zero-carbon settlement through the use of renewable energy and on-site energy generation and with the ability to adapt to a changing climate and reduce flood and other climate risks. The energy and climate change strategy will focus on generating at least enough zero carbon heat and power to meet the demands of the eco-town with the potential to supply surplus heat and electricity to significantly reduce the carbon footprint of the wider city region. Proposals include:-

- Zero Carbon homes, businesses and schools;
- Low Carbon agriculture and transport;
- Densities of development optimised for distribution of heat around the eco-town and to external heat networks in the wider area;
- Introduction of a central wood-fuelled combined heat and power (CHP) steam turbine;
- Introduction of biogas, CHP fuelled by biogas from the anaerobic digestion of local agricultural and food waste;
- Clusters of large wind turbines located away from residential areas;
- Community heating pipe work supplying all the heating and hot water needs of the town;
- Measures to ensure that off-site flood risk is not increased for current and future climate scenarios.

The Panel's Deliberations

128. The Co-op's aspirations for an energy efficient town where carbon emissions are minimised are to be commended. The Panel noted that while high development densities can assist with heat distribution, there are concerns that they would be inappropriate for such a rural setting. The Panel also had questions about the amount of wood which would have to be imported to fuel the biomass CHP plant, the extent to which this is available from within the UK, and the transport consequences of this. There were questions about the anaerobic digester and whether this would be viable. Recent work undertaken for the County Council suggests that, at the right scale, anaerobic

digesters could be viable. The location of large wind turbines will need to be handled very carefully as they are visually very intrusive.

129. The possibility of flooding in the Pennbury area is a concern. Indeed, the Government's own Sustainability Appraisal states a key weakness of the Pennbury location as "potential flooding downstream at Great Glen as a result of surface water run off is certainly an issue but can be mitigated with the potential for net benefits". The relevant agencies will need to be convinced that mitigation measures are in place to ensure that flooding does not occur.

Panel Conclusions

- (a) **There is merit in the Co-op's proposals for energy and climate change but there are a number of questions which need to be addressed and further evidence needed to support the proposals.**
- (b) **Flooding downstream at Great Glen could become a problem – appropriate mitigation measures will therefore be required.**

“THE GREAT PARK”

The Co-op’s Proposals

130. The Co-op proposes that Pennbury would sit within a major area of natural landscape, the Great Park, which would contain a hierarchy of green and civic public spaces within its centre and running through its districts. It states that it will be an asset for both the eco-town residents and the people from Leicester itself. The Great Park will provide a combination of parkland, agriculture and natural habitats and its design will be ecologically sustainable and appropriate to the wildlife within the geographical context. The Great Park amounts to almost 70% of the total landholding on the site. Retained spinneys and hedgerows, green corridors, public parks, community orchards and allotments would all be included in the Great Park. To the north, the emphasis would be on farming, to the east on countryside and towards the City on leisure.

The Panel’s Deliberations

131. The inclusion of such a large amount of open space as the Great Park is to be welcomed. The Panel did, however, have three queries. First, more than half of the Great Park would be retained as farmland and there are questions therefore as to how different this would be from the current use and how accessible it would be to the general public. The Great Park would also contain such uses as the cemetery, which would not be classed as accessible open space. Second, further information is needed about how the Great Park will be maintained and managed. Third, there is a concern that, if Pennbury proceeds, then, at some stage in the future, there could be pressure for additional development in the Great Park itself. Mechanisms to prevent this (tight planning policies or covenants) would need to be introduced.

Panel Conclusions

- (a) **The Panel welcomes the inclusion of such a large amount of open space as the Great Park in the Pennbury proposals but has queries about the nature and use of the Park which need to be resolved.**
- (b) **Maintenance, management and ownership issues need to be addressed and measures introduced to prevent any future development in the Great Park.**

GOVERNANCE AND MANAGEMENT

The Co-op's Proposals

132. The Co-op states that encouraging community empowerment and community ownership will be vital in planning an eco-town. The Eco-town for Leicestershire will take a different approach from ordinary town developments. Whilst working within the normal framework of Local Government, whenever possible public services will be largely community controlled, giving ultimate power to the people for whom the local services are delivered, and who pay for them. Key elements of the proposals include:

- **Design and Development Panel** - as the process for the development of the eco-town commences, a Design and Development Advisory Panel would be established. This panel would be chaired by the Co-operative Group, drawing its representatives from relevant interested parties, including local authorities, local housing organisations, environmental groups, the local resident community, both new and existing, and the private sector;
- **Eco-town Community Company** - the Design and Development Panel would evolve into the Eco-town Community Company. This would be a series of individual service-providers operating to a co-operative based sustainable business plan, within a delivery body led by The Co-operative Group. The Community Company will have overall responsibility for ensuring that the eco-town Masterplan is delivered throughout the design and build phase of this development and for the ongoing measurement of its success. All people would automatically be entitled to have membership of the Eco-town Community Company. This body would take responsibility for all generic issues, such as community safety, public transport, future planning etc. Residents of the eco-town would pay a service charge to the Eco-town Community Company, which would provide funding for services within the town. Over time, control of the Community Company would pass to the community.

The Panel's Deliberations

133. The Panel noted that the Co-op's proposals for governance and management reflect the Government's guidance in the draft PPS. The proposals do, however, raise a number of very important issues and questions. Key questions include:-

- The Co-op's proposed Community Company could manage some services and facilities (e.g. leisure centres, health centres and

schools); what would be included in this, how would it work and how would the local authorities be involved with this?;

- What role would the Co-op play in the company? Would it be a controlling role or a facilitating role?;
 - How would the governance relate to existing local government arrangements? Would a new parish council be established for Pennbury?;
 - Would the company envisage any role in the plan making or development control process? If so, what?;
 - Is there an expectation that roads will be adopted and maintained by the County Council or would they be managed by the Company? What about the maintenance of open space and parks?;
134. The Panel put these questions to the Co-op. No reply was received, although the Co-op did indicate a willingness to discuss these issues with the local authorities.
135. In terms of the development of Pennbury, the Co-op has indicated that it would be likely to act as “master developer” but would sell off parcels of land for development; this would need to comply with strict requirements as to what was built.

Panel Conclusions

- (a) The Governance proposals raise very significant issues for the local authorities and could undermine the current role of councils. The relationship between the Community Company and the existing local authorities, parish and town councils needs to be the subject of detailed discussion.**
- (b) Clarity is needed on the services which the Company might want to provide and how this would relate to local authority services. The proposals would represent a departure from the tried and tested ways of local government with its democratic accountability and, as such, need to be assessed very carefully.**
- (c) The precise role of the Co-op needs to be clarified.**

THE STRATEGIC ASSESSMENT

136. This work has been commissioned by the four authorities with the support of the Leicester Shire Economic Partnership (LSEP) and undertaken by the consultants Halcrow. It has tested the assumptions behind the Co-op's proposals, looked at the economic impact of Pennbury, its impact on regeneration of the City and other urban areas and its effects on other major development sites.
137. A copy of the Strategic Assessment Executive Summary is reproduced below. A copy of the Strategic Assessment Summary is attached as **Appendix P**. This document and its technical appendices are available on the Harborough District Council website⁸.

Executive Summary

138. *This Study has examined the impacts and consequences of the proposed eco-town at Pennbury. It is based on an analysis of published data in the Masterplan Vision, the Technical Papers which support it and our analysis of the implications for existing policies and major development and regeneration sites which may be affected by Pennbury. Our approach to the Study has been to examine the information which has been provided by the Co-op and the implicit and explicit assumptions which underlie it. The Study has been constrained by the fact that there is a lack of detail in the Masterplan Vision and the Technical Papers and no examples of completed development elsewhere in the UK which provide a relevant comparison with the eco-towns concept, either in terms of scale or ambition.*
139. *The Co-op's proposals for Pennbury are a response to the Government's Prospectus for Eco-Towns published in July 2007. Many of the objectives for Pennbury can be directly related to this and subsequent Government guidance. If these objectives can be met Pennbury could offer considerable potential benefits to the sub-region in terms of new jobs, homes, community facilities and infrastructure, as well as pioneering new approaches to zero carbon living. A large scale, well designed, low-carbon development, properly supported by infrastructure could offer a critical mass and a wider range of local jobs, homes and facilities than a more dispersed pattern of unsustainable development.*
140. *However, the Co-op Vision, Masterplan and stated aspirations are not matched by sufficiently detailed commitments and proposals to ensure that these objectives can actually be delivered. One of the main findings of this study is that the Masterplan contains a lack of specific information and detail to explain or justify many of the assumptions made, as well as ambiguities and uncertainties as to what is actually*

⁸ http://www.harborough.gov.uk/dotGov/home.do?view_schema=service&view_name=07HDC08094182681&page_name=details

being proposed. These omissions and ambiguities are summarised below:

Employment

141. *The Co-op has produced no convincing evidence to demonstrate that the economic roles envisaged for the town will actually produce the number of jobs required, or that this role will not conflict with the economic strategy for Leicester and the wider area. There is very little detail provided on the types of environmental industries the eco-town will attract and considerable uncertainties whether these can actually be delivered in the number required. There is also ambiguity over plans for “knowledge based industries” and whether these will be confined to the environmental sector or will compete with plans for office and science/innovation parks elsewhere.*
142. *No convincing evidence is produced to support the assumption that 60% of Pennbury residents will work in the eco-town (this containment ratio would be almost double that of neighbouring Oadby & Wigston). If this assumption is incorrect, there will be much greater job leakage to other areas, with significant negative impacts on commuting, traffic generation and capacity, carbon emissions and sustainability.*
143. *This part of south east Leicester has very poor links to the strategic road network, both to the A46 northwards and the M1 southwards. This poor connectivity is likely to act as a constraint on the attraction of this location to employers.*
144. *Many of the assumptions made to predict retail expenditure, and the proportion which is likely to be spent within Pennbury, lack proper justification. Consequently there are doubts concerning the type and quantity of planned retail provision. Firstly a retail capacity study is required to justify the quantum of development proposed. Secondly a retail impact assessment should be undertaken by the Co-op to quantify the eco-town’s impact on the vitality and viability of other retail centres in the area.*
145. *No evidence is provided to link employment (occupations/salaries) with housing provision. This is a fundamental weakness in the proposal.*

Transport

146. *There is concern that the off-site transport infrastructure cannot be delivered, further detailed work would be required. Much of the land required is not in the ownership of the scheme promoters, the environmental implications of the required improvements could be significant and, even then, there may not be sufficient capacity, to cope with the likely traffic. There are funding uncertainties associated with the provision of a tram in the longer term and question marks around*

the transport assessment and assumptions about public transport patronage.

Scale

147. *The case for this scale of settlement (15,000 homes and associated jobs, community facilities etc) is based heavily on recent population projections. These contain a number of questionable assumptions regarding migration and Leicestershire's likely future share of future regional growth. The large scale of growth planned creates significant challenges in accommodating both the traffic which will be generated and the number of jobs which will need to be created. Given the uncertainties surrounding the basis for the population projections used and the fact that a partial review of the RSS is underway, there are considerable doubts as to whether there is a need for the scale of development proposed. At the very least it would be prudent to undertake a number of sensitivity tests on the population and migration assumptions to establish the implications for future housing needs.*

Environment

148. *There have been no detailed surveys of local environmental features, such as ecology, landscape, cultural heritage. The Co-op Masterplan is based on existing surveys and desk based studies alone. Up to date surveys must be undertaken and these may require changes in the layout of the developed areas, either to avoid features of importance or to provide for necessary environmental enhancements.*

Location and Form of Development

149. *The location of the proposal derives largely from the landownership of the scheme promoters and not from any rational planning process which has considered and debated alternatives. Due to the proximity of Leicester, Oadby and Wigston, as well as a number of smaller villages, Pennbury would not be a freestanding settlement with its own identity. As currently planned, it would also not be a properly integrated urban extension. This ambiguity should be resolved and Pennbury should be tested as either a freestanding settlement or a sustainable urban extension.*

Design

150. *The Masterplan is based on a high average density of 60 dwellings per hectare, with higher densities in the town centre. There is no design detail to demonstrate that this will produce a quality design or provide the necessary quality of life for residents. The massing and bulk of the development is likely to appear very dense and urban in character, which may appear visually intrusive in this rural area. The Co-op Masterplan and development concept is based on the airfield which in*

itself is an alien feature in the landscape. We therefore question the basic starting point for the Co-op's design interpretation which would be very different if related to the natural and historic features of the landscape.

Housing

151. *The housing strategy is not clearly founded on an analysis of local needs and opportunities. Assumptions about household size and composition are based on Leicestershire averages, but in fact there are wide variations between the city itself and the surrounding towns and villages. The Masterplan needs to be clear about who it is seeking to attract because different groups will have very different requirements for housing type, tenure and size. This in turn will have major implications for the sorts of jobs which should be provided.*
152. *Pennbury is likely to have a major impact on a number of allocated or proposed Sustainable Urban Extensions (SUE's) located in proximity to Leicester. It is likely that these sites would be in direct competition with Pennbury for market share, developer/investor interest and delivery of affordable housing. In particular, this impact could be most significant at Aston Green, West of Braunstone town.*

Conclusion

153. *The Co-op has at this stage in the planning process provided insufficient information to support the Pennbury proposal at this moment. We have serious reservations at this stage that neither the required transport infrastructure nor the level of jobs required can actually be delivered. Both the economic strategy and transport proposals should therefore be substantially revised, as these are fundamental to the overall sustainability of the concept.*
154. *Many of the other issues we have identified could be addressed through detailed design or management proposals, although no financial information has been made available to provide certainty that the scale of investment required in infrastructure and in social and community facilities will be forthcoming.*
155. *Many of the reservations with the current project stem from the scale of the proposal, and a lack of knowledge and experience of proposals of this scale to benchmark against. Further work could be done to establish whether different scales of growth would be acceptable in this location, designed in accordance with the eco-towns criteria, and whether this should be a free standing new settlement or a sustainable urban extension. Further work is also required to address the various social, economic and environmental issues we have identified, in a way which will best meet the needs of both existing and future residents.*

Panel Conclusions

The Panel notes the detailed work undertaken by Halcrow and wish to draw their conclusions to the attention of the Scrutiny Commission (and the Cabinet) asking them to take them into account in their deliberations on eco-towns and Pennbury in particular.

THE DRAFT PPS ON ECO-TOWNS

156. Issued by the DCLG, this sets out the standards which eco-towns need to meet, the process for dealing with them and the criteria for assessing them. The PPS also poses a number of questions to which anyone can respond.
157. A proposed response to the questions has been drafted by Halcrow in conjunction with the four authorities, which the Panel considered on 5 January 2009.

Panel Conclusions

The Panel noted the emerging response to the questions set out in the draft PPS and would want to draw this (in its final form) to the attention of the Scrutiny Commission (and Cabinet) and ask that it be taken into account in formulating the County Council's response to the draft PPS. The Panel would want to emphasise two points in particular:-

- (a) **Eco-town development proposals should be dealt with through the Regional Plan, the LDF and established democratic processes. Site specific proposals should not be identified in a national PPS;**
- (b) **The draft PPS contains a list of locational criteria for assessing eco-towns. The extent to which a location is an area of housing need should be added to the list.**

THE SUSTAINABILITY APPRAISALS

Introduction

158. A Sustainability Appraisal (SA) seeks to identify and evaluate the likely impact of a proposal on the local economy, community and environment. It considers reasonable alternatives and suggests measures for improving a proposal's sustainability performance. The methodology includes examining the objective of a proposal, the policy context, sustainability objectives, the current situation, the situation without an eco-town, the situation with an eco-town, possible mitigation and monitoring.
159. Scott Wilson have undertaken an SA for the draft PPS and also for individual locations. Scott Wilson state that the aim of the individual SA is not to determine whether an eco-town location and proposal is either acceptable- i.e. 'sustainable' – or unacceptable – i.e. 'unsustainable' – and determine which locations progressed on this basis. The purpose of the SA is, rather, to explore the benefits and disadvantages associated with each of the locations and development proposals as an input to the Eco-towns Programme, and suggest ways in which their impact could be rendered more sustainable.
160. The Panel received a presentation from Jeremy Richardson from Scott Wilson on the SAs.

The Sustainability Appraisal for the Draft PPS

161. The SA of the draft PPS compares the situation with and without the PPS and draws out conclusions including the following:-
 - Eco-towns are one means to address the twin challenges of increasing housing supply and raising environmental standards in housing;
 - Eco-towns represent a clear opportunity to integrate sustainability from the outset;
 - Successfully implemented, eco-towns could promote the concept of new settlements as a credible and sustainable option for helping to accommodate additional housing and provide a showcase for more sustainable living;
 - Their success in sustainability terms will depend very much on the degree to which they promote a genuine modal shift towards more sustainable forms of transport (walking, cycling and public transport). If journeys to and from the towns are primarily by car

then their other sustainability credentials will be undermined;

- The eco-town standards could potentially become embedded in the planning system and provide a benchmark for future developments including new settlements and urban extensions.

The Sustainability Appraisal for Pennbury

162. The Sustainability Appraisal has assessed each eco-town location and graded them as A, B or C:-

- **Grade A:** generally suitable for an eco-town;
- **Grade B:** might be a suitable location subject to meeting specific planning and design objective;
- **Grade C:** location only likely to be suitable as an eco-town with substantial and exceptional innovation.

163. Pennbury has been classed as Grade B. Of the 12 shortlisted locations, only one has been graded as A and one as C – the rest are all B.

164. No reasonable alternatives to Pennbury were considered in the Sustainability Appraisal. The conclusions of the Sustainability Appraisal for Pennbury include the key strengths and weaknesses as set out below:

165. The **key strengths of the location** from a sustainability point of view are:-

- Proximity to existing settlements at Leicester and Oadby provides strong opportunities to share and improve existing infrastructure, with potential sustainability benefits for existing and future populations. At the same time land ownership of the green wedge between Pennbury and Oadby will help to restrict growth and infill;
- High potential for benefits through land and water quality improvements;
- Leicester is an identified Growth Point and a lack of affordable housing is a significant issue particularly in Harborough. It is difficult to say at this stage whether or not the proposal will provide truly affordable housing that is accessible to those who need it – i.e. residents of Oadby and Wigston and of Leicester City – but the eco-town could make a significant contribution to affordable housing, especially through the application of recently developed English Partnerships intermediate housing models;

- The location has been identified as an area of solar and wind energy potential and the close proximity to Leicester means that there is potential to connect to a district heating system in Leicester maximising efficiency and minimising waste energy.

166. The **key weaknesses of the location** from a sustainability point of view are:-

- The two main roads going into Leicester, which run alongside and through the proposed location, are generally acknowledged to be at capacity during peak flows, and car use in the existing area is notably high. Therefore, the public transport solution is the key element of the scheme in terms of the need for excellent access to the city centre, rail transport, and improved services for satellite rural settlements. The planning of a tram or rapid bus route to the edge of Leicester is relatively easy but the second part of the route into central Leicester is more difficult. This is essential in ensuring a low carbon development;
- There is a major resource issue with regard to impacts on existing waste and water infrastructure which are already at capacity. This can be overcome to a certain extent through measures incorporated into the design, but a full solution will potentially require improvements to infrastructure in the region;
- Potential flooding downstream at Great Glen as a result of surface water run off is certainly an issue but can be mitigated with the potential for net benefits;
- Despite the focus of development at the airfield site, development of green field land is considerable;
- The rural, tranquil landscape will experience a high magnitude of change;
- Public perception, attitudes and issues of community cohesion will require careful attention and will be important in ensuring that the scheme is successful.

167. The SA Review, which is a critique of the two SAs, has been undertaken by Halcrow. A copy of the Executive Summary of this report is attached as **Appendix Q** and the full report is available on the Harborough District Council website⁹. This is very critical of the SAs undertaken. A number of these and other concerns were put to Jeremy Richardson by the Panel. These included:

- Why had no alternative development possibilities to Pennbury been considered as part of the SA – for example, one of the

⁹ http://www.harborough.gov.uk/hdc/ECOTOWN/Sustainability_Appraisal_Assessment.pdf

SUEs? Scott Wilson was directed by DCLG not to look at any alternatives. However, elsewhere in the country, SUEs were considered as alternatives to eco-towns;

- Why was it that housing need figures were not being re-examined in the light of the current financial crisis and changes with population and migration assumptions? Scott Wilson were directed by DCLG not to re-examine these figures;
- How far had the SA been able to take account of the proposals released by the Co-op in October 2008? Scott Wilson did receive some information at the end of September 2008 but a lot of their work was based on earlier Co-op information;
- What assumptions had been used in the SA about the proposed transport strategy? This is not clear but the SA does recognise that the public transport proposals are a key weakness of Pennbury;
- To what extent does Pennbury meet the criteria of being “distinct from existing settlements”? There is a lack of clarity on the part of DCLG about what “distinct from existing settlements” actually means. Scott Wilson acknowledge that this is a difficult question to answer;
- To what extent had the lack of detail about the Co-op’s economic strategy been taken into account? Scott Wilson seem to have accepted the Strategy without questioning a number of the assumptions made by the Co-op.

Panel Conclusions

- (a) **The Panel notes the queries and concerns about the SAs, as set out above.**
- (b) **The Panel notes the concerns and conclusions contained in the Halcrow report on the SAs and would ask the Scrutiny Commission (and Cabinet) to take this report into account in their deliberations.**

VIEWS OF THE CAMPAIGN TO PROTECT RURAL ENGLAND (CPRE)

168. The CPRE made a written submission to the Panel. This is attached as Appendix 'N'. In summary, the CPRE raised a number of concerns:-

- The Pennbury proposals cut across the established and democratic planning process;
- The proposals seem to be driven by financial gain;
- Pennbury seems to be a SUE and not a stand alone community;
- The possibility of development was rejected by the Regional Plan – the same reasons for rejection should apply to Pennbury;
- Providing new facilities, services and infrastructure will cost more in a stand alone community;
- Global Peak Oil problems raise serious questions about Pennbury's viability and long term delivery;
- The loss of farmland and agricultural production would be extremely foolhardy;
- There are major transport difficulties partly because of Pennbury's location;
- The employment self containment rate would be likely to be 25% or less and there would be difficulties about attracting suitable employment;
- There are already many empty homes and a large amount of land with planning permission for housing;
- "Until these questions are adequately addressed it is patently wrong to exploit the countryside as a political stop-gap".

Panel Conclusions

The Panel notes the comments from CPRE and notes also that they accord with a number of points already raised by the Panel.

VIEWS OF THE ENVIRONMENT AGENCY

169. The Environment Agency was invited to attend the Scrutiny Panel but chose instead to make a written representation. This is attached as Appendix O In summary, the Agency's comments were:

- **Flood Risk** - The Environment Agency will be seeking the sustainable long term management of surface water run-off to minimise flood risk;
- **Water Quality** - The capacity of the existing sewer network and water treatment facilities will need investigating. If there is a shortfall then investment in new infrastructure will need securing prior to development;
- **Water Resources** - The development will be expected to maximise the use of water harvesting and recycling to minimise the impact on existing water supply mechanisms;
- **Waste** - The development should have a robust waste management plan in place prior to occupation that demonstrates the waste hierarchy of reduce, re-use, recycle. Waste to energy systems should also be considered where appropriate techniques are available;
- **Land Quality** - There are a number of sites within the proposed development area that will require investigation as to likely contamination;
- **BioDiversity** - Opportunities to maximise BioDiversity on the site should be sought given that the location has been identified as within an area of poor BioDiversity;
- **Climate Change** - The development should be robust and take account of climate change impacts over the long term establishment and use of the eco-town.

Panel Conclusions

The Panel notes the views of the Environment Agency and would basically agree with their comments.