



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

MEETING WITH STEVE DIBNAH OF LEICESTER SHIRE ECONOMIC PARTNERSHIP AND SIMON SMITH OF WARWICK BUSINESS MANAGEMENT LTD ON 14 NOVEMBER 2008

The Panel met with Steve Dibnah of Leicester Shire Economic Partnership and Simon Smith of Warwick Business Management Ltd. in order to be advised on the likely impact of the proposed development on the delivery of employment land and housing within the strategic policy framework.

The Panel NOTED the following points that arose from that meeting:

- i) The Employment Land Study 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;
- ii) Development ideally needed to be employment led. Residential development would follow. This was not the approach being proposed for Pennbury;
- iii) 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;
- iv) 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;
- v) The current Regional Plan allocated employment land at Sustainable Urban Extensions (SUEs) – 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. 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 inadequate access;

- vi) It was felt that potential employment sites should emerge via the established planning process and that they should come forward because they have attributes. Pennbury is being proposed largely because the Co-op own the land and they have aspirations to develop;
- vii) Without Pennbury or additional housing growth demanded by Government, the Study predicted a modest increase of 24,000 jobs in Leicester and Leicestershire from 2007 – 2026;
- viii) The Co-op's intention to generate 14,000 jobs at Pennbury, at a rate of 1 job per dwelling, was seen as a challenging target as an additional 36,000 residents would normally yield only approximately 7,000 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;
- ix) 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.
- x) 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 area (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.
- xi) 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.
- xii) 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.
- xiii) The factors listed above indicated that Pennbury would not be able to attract the 14,000 jobs it hoped to attract. 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;

- xiv) 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 them. 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;
- xv) Questions were raised as to the practical reality of a rail link for freight purposes being developed;
- xvi) The lack of an economic strategy for Pennbury remained a major problem.