



CABINET – 15 DECEMBER 2009

EAST MIDLANDS REGIONAL PLAN: PARTIAL REVIEW

**SECTION 4(4) ADVICE TO THE EAST MIDLANDS REGIONAL
ASSEMBLY**

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of the Report

1. To seek the Cabinet's agreement for Leicestershire County Council's Section 4(4) Advice on the Partial Review of the East Midlands Regional Plan to be submitted to the East Midlands Regional Assembly (EMRA).

Recommendation

2. It is recommended:
 - a) That the contents of Appendices 3 to 7 be approved and submitted to EMRA as the Section 4(4) Advice of Leicestershire County Council;
 - b) That EMRA be informed that the County Council continues to seek a deferral of the review of the housing aspects of the Regional Plan given current economic and housing market uncertainty and the limited availability of data and evidence relating to the impact of the economic downturn on the future requirement for new homes;
 - c) That EMRA's Housing, Planning and Transport Joint Board meeting on 27 January 2010 be formally requested to delay the housing element of the Partial Review.

Reasons for Recommendation

3. To ensure that the County Council makes an appropriate input at this key stage in the Regional Plan process, so that issues of importance for the County Council are clearly expressed and influence the shape and content of the Regional Plan.

Timetable for Decisions (including Scrutiny)

4. The Scrutiny Commission will be considering this report at its meeting on 9 December. The Commission's comments will be reported to the Cabinet. EMRA has requested the Advice to be submitted by 31 December 2009.

Policy Framework and Previous Decisions

5. Comments on the draft Project Plan for the Partial Review of the Regional Plan (published by EMRA between October and December 2008) were agreed by the Cabinet on 14 November 2008. Key comments related to:
 - The need to critically examine the population and household projections to ensure that the housing requirements in the next Regional Plan take proper account of the most up to date information;
 - Questioning whether, in the light of the uncertainties created by the current economic climate and housing market conditions it is prudent to carry out an immediate partial review of the housing aspects of the Regional Plan at all.
6. Comments on the four Options for spatial development in Leicester and Leicestershire were agreed by the Cabinet on 6 October 2009. Option 4, a new settlement, was rejected at that stage.
7. It also agreed that as a Section 4(4) Authority, the County Council would need to take full and proper account of responses made to the Options Consultation Paper by key stakeholders, but that the timetable requiring Section 4(4) Authorities to submit advice by 31 December would be insufficient to allow for full and proper consideration of responses from key stakeholders and the subsequent preparation of advice based on firm and robust evidence.

Resource Implications

8. The Director of Corporate Resources has been consulted. No immediate implications are identified.

Circulation under the Local Issues Alert Procedure

9. A copy of this report has been circulated to all members under the Members' Information Service

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PART B

The East Midlands Regional Plan Partial Review Section 4(4) Advice Requirements

10. Under the Planning and Compensation Act 2004 and Planning Policy Statement 11 “Regional Spatial Strategies” the Regional Planning Body has a duty to seek advice from, and for it to be provided by, Section 4 (4) Authorities within the region (including Leicester City and Leicestershire County Councils) to inform the preparation of a revision to a Regional Spatial Strategy.
11. The East Midlands Regional Assembly (as Regional Planning Body) has therefore requested the Section 4 (4) Authorities within the region to provide formal written advice that will enable the development of preferred options for the topics covered by the Partial Review. The requirements for the Advice requested by EMRA are set out in Appendix 1.

Advice on Spatial Development Option

Background

12. EMRA has asked the County Council to advise on a preferred spatial development option for its area. This should identify a policy approach to the location of development that is able to accommodate predicted housing development requirements in the period from 2021 and 2031. It should set out the scale and distribution of new market and affordable housing development in the Local Planning Authorities on the basis of individual Districts and Boroughs. There should also be an apportionment of the level of development that should be located within, adjoining, or outside the Leicester Principal Urban Area (PUA).
13. The current Regional Plan’s strategy is one of urban concentration, which minimises the take-up of greenfield land. For Leicester and Leicestershire, it was based on previous Section 4(4) Advice provided by the County Council, and is now being applied at a more local level through the local development frameworks being prepared by the City Council and district councils.
14. In previously commenting on the draft Project Plan for the Partial Review and on the Options consultation, the County Council considered the work programme to be unnecessarily constrained by the likely date of the transfer of the Regional Planning Body function from the Regional Assembly to the Regional Development Agency. It expressed concern at the relatively short amount of time available for the Section 4(4) Authorities to prepare Housing Market Area (HMA)-level advice for incorporation into the draft Regional Plan, with consequences for the credibility of the evidence base and for the quality of the advice supplied.

Assessment of Options

15. In June 2009, EMRA consulted on four Options for the spatial development of each housing market area in the East Midlands. A detailed assessment of each of the four Options was submitted to EMRA on 6 October 2009 by the

County Council as part of its comments on the Options. It did not state a preference for any Option, as this could have prejudiced proper consideration of the full range of views arising from the consultation, which must be taken into account in preparing Section 4(4) advice. A summary of relevant responses to the Options by other authorities and statutory bodies is set out in Appendix 2.

Advice on the Spatial Development Option for Leicester and Leicestershire

16. It is concluded that in the absence of clear evidence to the contrary, there is no justification for changing the spatial development strategy and scale and broad distribution of housing as set out in the currently adopted Regional Plan up to 2026 (i.e. Option 1 in the consultation on Options). The strategy and the scale and broad approach to distribution beyond 2026 should be considered as part of a future full review of the Regional Plan, i.e. the first Single Integrated Regional Strategy.
17. Detailed justification is set out in Appendix 3. In summary, Option 1, is the most appropriate option because:
 - i) The Project Plan allows insufficient time to properly assess the consultation responses and provide fully evidence-based advice which may identify the need to change the current strategy;
 - ii) Conducting a Partial Review of housing at this time would divert resources away from current LDF work which will allocate sites in the shorter time;
 - iii) Sufficient housing will be identified in LDFs to meet requirements until at least 2026;
 - iv) The recession has disrupted the housing market, making it difficult to anticipate future demand for housing. Making decisions about the longer term development of the area could lead to unnecessary release of greenfield sites;
 - v) Population and household projections are still based on data which generally pre-dates the recession;
 - vi) The sub-regional economic assessment, evidence base for LTP 3 and transport modelling results of spatial options will not be available until early 2010;
 - vii) It would be advantageous to consider future housing provision as part of a full Regional Plan review which will also cover employment land provision. One key lesson from the recent examination of the Pennbury proposal is the absolutely critical relationship between housing and employment land provision;
 - viii) The consultation responses from local authorities and agencies (see Appendix 2) generally favour Option 1.

Population and Household Projections

18. The case for maintaining the current spatial development strategy and deferring the review of housing aspects of the Regional Plan is supported by the consideration of population and household projections in Appendix 4. This notes that there is increasing uncertainty about future patterns of migration and household formation resulting from the recession, and that the figures used in the current projections have been or are about to be superseded by new evidence.

Transport

19. Section 4 (4) Authorities should advise on revisions to the Regional Transport Strategy in the context of the Government’s “Delivering a Sustainable Transport System” (DaSTS) policy, based on the transport needs, opportunities, and priorities in their area, reflecting their preferred spatial development option. The advice should consider the types of transport improvements and interventions that, integrated with development, will deliver the most sustainable outcomes and impacts. This advice should be based on the period from 2006 to 2031.
20. Appendix 5 sets out details of a number of pieces of transport evidence that are in preparation and which will be able to inform a deferred review of the Regional Plan.

Renewable and Low Carbon Energy

21. Section 4 (4) Authorities should advise on how best to address national statutory carbon reduction targets with regard to the most viable renewable and low carbon energy technologies for their area (particularly heat networks, on-site renewable, and regional scale renewables including wind farms). This advice should be based on the period from 2006 to 2031.
22. Appendix 6 makes it clear that the Regional Plan can only contribute in a small way towards the substantial carbon dioxide reduction targets required between now and 2050. The main recommendations are that all new development must be as low carbon as possible, and that policies should enable renewable energy generation projects to be brought forward and reduce obstacles to their consent.

Aggregates

23. Section 4 (4) Authorities should advise on the scale of aggregate and other land won minerals extraction that should be apportioned for their area. This advice should be based on the period from 2016 to 2021.
24. Appendix 7 states that the Leicestershire Minerals Core Strategy already sets out mineral provision for the County to 2021, but that this will have to be reviewed in the light of the latest national guidelines for 2005 to 2020.

Next Steps

25. A summary of the timetable for the Partial Review is set out below:

31 December 2009	Submission of Section 4(4) Advice to the Regional Assembly
27 January 2010	Regional Housing, Planning and Transport Joint Board Meeting
26 March 2010	Submission by the Regional Assembly of a Draft Revised Regional Plan to the Secretary of State, along with a full Sustainability Appraisal, Habitats Regulation Report and Pre-Submission Statement of Consultation for 12 week public consultation
1 April 2010	Transfer to new arrangements following the wind up of the Regional Assembly (subject to legislation)
Mid June 2010	End of consultation.
September 2010	Likely start of Examination in Public (date to be determined by the Planning Inspectorate)
March 2011	Likely start of 12 week public consultation on proposed changes to the Draft Revised Regional Plan (date to be determined by the Secretary of State)
Autumn 2011	Likely publication of the Revised Regional Plan (date to be determined by the Secretary of State)

26. The additional meeting of the EMRA Housing, Planning and Transport Joint Board arranged for 27 January will consider the responses to the consultation on Options and whether there is a need to revisit the programme for preparation of the Partial Review. Before then, it is understood that EMRA officers have consulted the Government on a number of options, including delaying the review of the housing strategy.
27. If it were concluded on 27 January to delay the housing element of the Partial Review, the most logical mechanism currently existing to carry out this work would be to through the first Single Integrated Regional Strategy as argued above. Indeed, this is the mechanism recommended by the Panel which conducted the examination in public of the West Midlands Regional Plan in its September report, in the context of housing beyond 2016.
28. It is therefore suggested that the Cabinet also be recommended to request the Joint Board on 27 January to delay the housing element of the Partial Review (as set out in paragraph 2(c) above).

Equal Opportunities Implications

29. There are no equal opportunities implications arising from the contents of this report.

Background Papers

East Midlands Regional Plan Partial Review Options Consultation Paper; EMRA;
June 2009

Sustainability Appraisal of Options; EMRA; June 2009

Appendices

Appendix 1: Section 4(4) Advice Requirements

Appendix 2: Summary of Responses to Options Consultation

Appendix 3: Advice on Spatial Development Options

Appendix 4: Population and Household Projections

Appendix 5: Transport

Appendix 6: Renewable and Low Carbon Energy

Appendix 7: Aggregates