

Leicester  
City Council

**WARDS AFFECTED**  
All Wards

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**  
**Strategic Planning and Regeneration Scrutiny Committee**  
**Cabinet**

**10th September 2003**  
**22<sup>nd</sup> September 2003**

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**Milton Keynes and South Midlands Sub-Regional Spatial Strategy**

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**Report of the Director of Environment, Development and Commercial Services**

**1. Purpose of Report**

To acquaint members with the proposals contained within the Milton Keynes and South Midlands (MKSM) draft consultation Sub-Regional Spatial Strategy, to set out the implications of this strategy for the Three Cities Sub-Region and to agree a form of response.

**2. Summary**

The MKSM Sub-Regional Strategy will provide a vision for the sub-region to 2031. The MKSM sub-region is one of the 4 growth areas within the south east which the government has given support to within the Sustainable Communities Plan (Feb 2003). The other areas are London-Stansted-Cambridge, Ashford and the Thames Gateway. Part of the MKSM sub-region (Northamptonshire) lies within the East Midlands. This draft strategy is subject to a 12 week consultation ending 10<sup>th</sup> October. This will be followed by a Public Examination in February 2004. The final version of the strategy that applies to Northamptonshire will become an Appendix to the Regional Planning Guidance for the East Midlands (RPG8).

**3. Recommendations (or OPTIONS)**

That members should;

1. note the proposals for the MKSM sub-region and, in particular, the proposals for Northamptonshire, within the East Midlands region,
2. approve the comments made within this report which will then form the City Council's response to the consultation exercise.

**4. Headline Financial and legal Implications**

**NB. Legal implications need to be completed by Legal Services**

There are no direct legal implications (Anthony Cross).

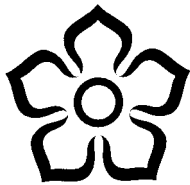
There are no direct financial implications

**5. Report Author/Officer to contact:**

**Judith Szymanski**  
**Katherine Cooper**

**DECISION STATUS**

<b>Key Decision</b>	<b>No</b>
<b>Reason</b>	<b>N/A</b>
<b>Appeared in Forward Plan</b>	<b>No</b>
<b>Executive or Council Decision</b>	<b>Executive (Cabinet)</b>



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**Milton Keynes and South Midlands Sub-Regional Strategy**

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## **SUPPORTING INFORMATION**

### **1. Report**

#### **Background**

- 1.1 RPG9 for the South East (March 2001) identified 4 potential growth areas in the south-east: Milton Keynes and the South Midlands (MKSM), London-Stansted-Cambridge, Ashford and the Thames Gateway. It also proposed a sub-regional study for the MKSM area to investigate what the nature, possible extent and location of future growth in this area might be.
- 1.2 The MKSM Study, published in September 2002, concluded that the study area has considerable potential for sustainable economic growth over the next 30 years. The Government has requested that the 3 Regional Planning Boards covering the study area (South-East, East Midlands and East of England) develop proposed Alterations to existing RPG to reflect this potential. The consultation draft MKSM Sub-Regional Strategy will form the basis of these Alterations for each region. The final strategy pertaining to Northamptonshire will therefore become an Appendix to the RPG for the East Midlands (RPG8)
- 1.3 The Government's Sustainable Communities Plan (February 2003) has set the wider context for the Alterations and endorses the 4 potential growth areas identified in RPG9.

#### **Content of the Strategy**

- 1.4 Appendix 1 presents a summary of the draft consultation MKSM Sub-Regional Strategy and Figure 1 shows the MKSM area. The strategy looks at growth in the sub-region up to 2031. In total it proposes that the sub-region should accommodate 366,000 additional dwellings and 293,000 additional jobs up to 2031. It also sets out a number of strategic communications infrastructure projects that will have to be undertaken if the levels of housing and economic growth that are envisaged are to be met.
- 1.5 The majority of development will be focussed at 6 urban areas and will be in the form of development within the existing built up areas or in sustainable urban extensions. The 6 urban areas are Aylesbury, Bedford-Kempston-Northern Marston Vale, Luton-Dunstable-

Houghton Regis, Milton Keynes, Corby-Kettering-Wellingborough and Northampton. The 2 latter urban areas are in Northamptonshire within the East Midlands region. Corby, Kettering and Wellingborough have been identified as a single Principal Urban Area giving it the same status as the Three Cities and Northampton within the East Midlands as a preferred location for development.

## **Proposed Alterations to RPG8 – the Part B Statement for Northamptonshire**

### **Implications for revised RPG8 priorities**

- 1.6 Revisions to the Regional Planning Guidance for the East Midlands have recently been subject to a public consultation and will undergo an Examination in Public in November 2003. Officers from the city council played an active role in developing the priorities within RPG8 to ensure that they will support the needs of Leicester. Given the scale of the proposals put forward in the MKSM Strategy it is vital that the impact on the rest of the region is fully assessed and understood from all perspectives. The scale of growth proposed is very significant and cannot be accommodated without impacting upon other priorities contained within the draft RPG8. In this respect there is some concern that the draft strategy tends to treat the sub-area in isolation from the rest of the Region. The Sustainability Appraisal undertaken by Baker Associates for the 3 Regional Assemblies should have been the mechanism to assess the implications of the draft policies on the objectives of the East Midlands region as a whole ( and similarly for the East of England and South-East England), rather than just for the MKSM area. Its failure to do so compromises it very heavily as a tool of diagnosis.
- 1.7 The proposed provision of a range of high quality employment sites with a particular emphasis on high value knowledge-based industries in Northamptonshire could reduce the demand for sites within the Three Cities Sub-region. Consultants currently carrying out the Three Cities Scoping study will be considering the impact of the draft Strategy on the Three Cities Sub-Region and will report their findings in mid-September. Growth and regeneration within Leicester could be particularly affected, being the nearest Principal Urban Area to the MKSM growth area.
- 1.8 Several other priorities within the RPG that would be affected by the draft Strategy include the management of flood risk, water resources, biodiversity, energy efficiency and renewable energy targets, and targets for the re-use of previously developed land and buildings. The draft strategy does not appear to evaluate the implications of the growth area on these priorities.

#### **City Council Comment**

**The priorities contained within draft RPG8 have been carefully developed by a range of partners within the Region. The City Council are concerned that the potential implications of the proposed level of growth put forward in the draft Strategy on the priorities for the East Midlands as a whole have not been fully assessed and understood. In particular, there are serious concerns that investment in the Three Cities could be undermined by such large-scale growth in the south of the Region.**

### **Proposed growth at Northampton and Corby/Kettering/Wellingborough**

- 1.9 Northampton and Corby/Kettering/Wellingborough are identified as Principal Urban Areas (PUAs). In the draft revised RPG8 (April 2003) Northampton is already identified as a PUA while Corby, Kettering and Wellingborough are identified as individual Sub-Regional

Centres(SRCs) – the next level of the hierarchy. The principle change and perhaps the most controversial is therefore the decision to treat Corby, Kettering and Wellingborough as one unit within the settlement hierarchy and to raise their status to a PUA.

- 1.10 Within the draft RPG8 the housing provision for Northamptonshire is set at an annual average rate of 2,750 dwellings over the 20 years from 2001 to 2021. The proposals in the MKSM Strategy raise this provision to an annual average rate of 7,050 dwellings over the same time period. This contrasts with a provision of 3,150 dwellings p.a. within Leicestershire, Leicester and Rutland.
- 1.11 Overall there will be an extra 24,900 dwellings at Northampton and an extra 40,000 dwellings at Corby/Kettering/Wellingborough. The MKSM Strategy contains assessments of the number of new educational and healthcare establishments which will be needed to support this housing growth. It also sets out clearly the highway schemes and public transport improvements that will be required. The amount and location of economic development needed to achieve a housing/jobs balance is more difficult to pin down. The policies therefore tend to talk of ensuring the provision of a range of high quality employment sites with a particular emphasis on high value knowledge-based industries.
- 1.12 The concept of “urban hubs” within the PUAs, often but not always smaller towns, is put forward to complement the town centres. It is not clear how far these urban hubs will be allowed to accommodate town centre type uses although the strategy maintains that they must not compete with the revitalisation of the Town Centres. Although Corby,Kettering and Wellingborough are defined as one PUA, the 3 town centres will continue to function separately.
- 1.13 A Corby/Kettering/Wellingborough conurbation would lie midway between Leicester, Peterborough and Northampton. Supporting 3 Town Centres and numerous “urban hubs” it will compete directly with these 3 cities, and with Derby and Nottingham, for inward investment and will, as a Principal Urban Area, presumably be treated in the same way as these cities.

#### **City Council Comment**

**The identification of Corby, Kettering and Wellingborough as a single Principal Urban Area maintaining the 3 town centre roles but including new “urban hubs” to complement these central areas raises a number of queries:**

- **Will the three conurbations be maintained as physically separate towns or will there ultimately be a degree of coalescence?**
- **Will the smaller towns of Burton Latimer, Desborough, Higham Ferrers, Irthlingborough, Rothwell and Rushden identified as “urban hubs” stay physically separate or is it envisaged that these will be engulfed by the proposed urban extensions?**
- **Urban hubs are not currently identified or defined within RPG8. What role will the urban hubs play – what range of town centre uses will they accommodate?**

**The City Council is concerned that promoting these 3 centres jointly as a Principal Urban Area could encourage urban sprawl and by raising the joint status of the 3 centres it will compete directly with other cities within the region, and specifically Leicester, where regeneration is a priority.**

#### **Infrastructure Requirements**

- 1.14 The MKSM Strategy makes it clear that the growth area aspirations require significant infrastructure investment. Improvements in the A14 and A45 corridors and the M1

Junction 19 improvements reflect the Regional Transport Investment priorities in RPG8. Midland Mainline upgrades are also a regional priority but investment by the Strategic Rail Authority should not be concentrated on the southern section from London to Corby and Kettering at the expense of other East Midland sub-regional priorities (such as a fixed public transport link to East Midlands Airport and rail station Masterplans for Leicester, Derby and Nottingham).

#### **City Council Comment**

**The City Council supports the proposed improvements to infrastructure particularly the east-west links and Midland Main Line upgrades. However the necessary investment by the Strategic Rail Authority should not be at the expense of other East Midland sub-regional priorities set out in RPG8.**

#### **Funding**

1.15 The proposals and infrastructure requirements will necessitate substantial long term investment. The MKSM Study estimated a figure in the region of £8,300 million. £164 million has been made available for all 4 national growth locations for the first 3 years. Existing funding routes and bidding mechanisms will need to support the aspirations of this strategy and new ones will need to be created as appropriate. It is essential that funding within the 3 regions making up the MKSM area should not be re-directed to the growth area at the expense of alternative strategy objectives within these regions.

1.16 The Regional Housing Boards (RHBs) within each of the 3 regions will prepare Regional Housing Strategies that reflect the MKSM Strategy. The East Midlands RHB published a draft Regional Strategy for Housing Investment in July 2003 which makes proposals for housing investment over the next 2 years (2004-2006). While this strategy recommends an overall increase in resources in the East Midlands from £52 million to £58 million, within Leicester substantial and alarming cuts have been proposed, specifically:

- funding for the City Council's Housing Investment Programme could be cut by 25%,
- funding for the Housing Associations working in the City appear to be cut by 50%, and
- there is a potential loss to Leicester of £5 million of housing investment every year.

Similar cuts are proposed throughout the Three Cities Sub-area. Resources have been redirected towards the southern growth area. The East Midlands Regional Assembly Housing Task Group noted that "despite having 45% of one of the major growth areas within our region, overall regional funding has not been matched to this national priority".

#### **City Council Comment**

**It is essential that the Government should back up the MKSM Strategy with adequate resources to prevent the diversion of funding within the three regions making up the MKSM area. This type of diversion has already been evident within the East Midlands RHB draft Housing Investment Strategy. If this strategy is adopted it will have serious implications for a number of housing strategies within Leicester and will threaten the regeneration objectives for the Three Cities Sub-area as a whole.**

**FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

- 1. **Financial Implications** No direct implications
- 2. **Legal Implications** No direct implications (Anthony Cross)
- 3. **Other Implications**

OTHER IMPLICATIONS	YES/NO	Paragraph Within Supporting information	References
Equal Opportunities			
Policy	yes	1.6-1.8	
Sustainable and Environmental	yes	1.9-1.13	
Crime and Disorder			
Human Rights Act			
Elderly/People on Low Income			

**3. Background Papers – Local Government Act 1972**

MKSM Sub-Regional Strategy. Consultation Draft, July 2003  
 Revised Regional Planning Guidance for the East Midlands to 2021, public consultation draft, April 2003

**5. Consultations**

Chief Executive  
 All Corporate Directors  
 Housing Service Director, Housing Renewal and Options  
 Resources, Access and Diversity Service Director, Property  
 ER&D Service Directors, Planning and Sustainable Development, Highways and  
 Transportation and Regeneration  
 Jonathan Geall, Derby City Council  
 Matt Gregory, Nottingham City Council  
 Chris Bowden, Arup Consultants

**6. Report Author**  
**Judith Szymanski**  
**Katherine Cooper**

