

DRAFT EAST MIDLANDS REGIONAL PLAN

Report of the Service Director Planning & Policy, Regeneration & Culture Department

1 Purpose of Report

- 1.1 To inform members of the formal public consultation period on the draft review of the Regional Spatial Strategy (RSS8) for the East Midlands. For simplicity the Regional Assembly refers to the document as the Regional Plan.
- 1.2 To summarise the key policy issues and to provide comments, that will form the basis of the City Council's response to the consultation draft Regional Plan.

2 Summary

- 2.1 The East Midlands Regional Assembly public consultation on the Draft Regional Plan started on 28th September and runs for twelve weeks until 20th December 2006. The Regional Plan and several background technical documents are available on the Regional Assembly's website at <u>www.emra.gov.uk/regionalplan</u>. Copies of the document have been placed in the Customer Service Centre and in the Members' Library.
- 2.2 This is the statutory consultation stage for submitting representations that will be considered by an independent panel appointed by the Secretary of State to hold an Examination in Public (EiP) into the Plan. The EiP Panel will be chaired by Professor Stephen Crow and will take place in Leicester during May and June 2007.
- 2.3 The Plan provides a broad development strategy for the East Midlands up to 2026 and is divided into two parts.
 - Part 1: The Regional Strategy sets the overall context for the delivery of sustainable development in the region. It also indicates priorities for housing, economic development and regeneration, natural and cultural resources and transport.
 - Part 2: Sub-Regional Strategies provides more specific guidance for four sub-areas, including a Sub-Regional Strategy for the 3 Cities sub-area.
- 2.4 Under the new Planning system the Regional Plan is now a statutory part of the development plan framework and will replace structure plans. All future local development framework (LDF) documents will have to be written in conformity with the Regional Plan. Its policies will also be material

considerations to decisions on individual planning applications. The Regional Plan is a key Planning document and will influence future development patterns throughout the East Midlands.

2.5 Although overall responsibility for preparing the Regional Plan rests with the East Midlands Regional Assembly (EMRA), planning legislation requires that the Regional Planning Bodies seek advice from the strategic planning authorities (County Councils/Unitary authorities). City Council officers have participated in various working groups and have provided advice to EMRA on planning matters in relation to Leicester City's administrative area during the preparation of this draft Regional Plan. This included a significant input to the preparation of the 3 Cities Sub-Regional Strategy.

3 Recommendations

- 3.1 That the Scrutiny Committee considers the Regional Plan policy implications set out in the report and comments on the proposed comments.
- 3.2 That Cabinet considers the Regional Plan policy implications set out in the report and endorses the proposed comments to the consultation Draft East Midlands Regional Plan.

4 Financial & Legal Implications

4.1 Financial

This report does not include any specific or immediate financial implications. Future development in the City at the scale proposed in the draft Regional Plan will require the provision of new infrastructure and community services. The designation of the 3 Cities/Counties as New Growth Points will bring increased Government funding to ensure appropriate provision and delivery of sustainable development. Any details of financial implications will be highlighted in future specific reports.

Martin Judson, Head of Finance, R&C, extension 7390

Legal

4.2 The Regional Spatial Strategy (RSS) now forms part of the Development Framework for the City and its preparation must follow the statutory procedures prescribed by the Town and Country Planning (Regional Planning) (England) Regulations 2004. Following a period of public consultation and an independent 'Examination in Public', the Regional Plan will become the Regional Spatial Strategy for the East Midlands for the period to 2026. It will replace RSS8 issued by the Government in March 2005. The Regional Spatial Strategy will also replace the Leicestershire, Leicester and Rutland Structure Plan 1996-2016.

Anthony Cross, Head of Litigation & Advocacy, extension 6362

5 Report Author

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Reason	Is significant in terms of i effect on communities living working in an area comprisir more than one ward.
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)



Economic Development and Planning Scrutiny7 December 2006Committee7 December 2006Housing and Community Safety Scrutiny Committee7 December 2006Cabinet11 December 2006

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SUPPORTING INFORMATION

1. Report Background

1.1 As part of the Regional Plan review process the East Midlands Regional Assembly (EMRA) consulted on the 'Options for Change' document during late 2005/early 2006. The consultation considered sub-area boundaries, development form policies and a range of options for housing growth/distribution. Option 2B (trend based growth with an urban concentration/regeneration focus) was EMRA's preferred option – in Leicester's case this required an annual house building rate of 1,180 dwellings (cf current Local Plan rate of 950 per annum). The City Council supported this option (Cabinet 6th January 2006) but with caveats that this level of housing growth could only be delivered with increased public funding for new infrastructure, improvements to public realm and community facilities, as well as additional resources to ensure the appropriate provision of affordable housing.

2. Draft Regional Plan

2.1 The review of the Regional Plan has been undertaken in the light of new legislation and Government guidance. It has been subject to a Sustainability Appraisal consistent with the European Union Strategic Environmental Assessment Directive.

Core Strategy

2.2 The Core Strategy is largely the same as that included in the existing RSS8, with a strong emphasis on promoting sustainable patterns of development, high quality built and natural environments, a vibrant economy and social inclusion. New objectives have been included to reduce the causes and impacts of climate change (Policy 1).

Proposed Comment 1

2.3 Leicester City Council supports the Core Strategy. We particularly support the inclusion of climate change objectives in Policy 1.

Spatial Strategy

- 2.4 The general thrust of the regional spatial strategy also remains the same as the existing RSS8. This is a sequential approach to selecting land for development, with an emphasis on re-use of previously developed land and vacant buildings in urban areas (Policy 2). The main focus of new development will continue to be on the five 'Principal Urban Areas' of Derby, Leicester, Lincoln, Northampton and Nottingham. Significant levels of development will also be located in the three growth towns of Corby, Kettering and Wellingborough. Lesser scale development outside these areas will be concentrated on the 'Sub-Regional Centres'. In Leicestershire, these are listed as Coalville, Hinckley, Loughborough, Market Harborough and Melton Mowbray (Policy 4).
- 2.5 Promoting better standards in the layout, design and construction of new development is a key aspect of the strategy. All new development should be to BREEAM 'very good' standard, to improve resource efficiency. All new housing should be to 'Lifetime Homes' standards to met the needs of an ageing population (Policy 3).
- 2.6 Development in the 3 Cities Sub-area should support the continued growth and regeneration of Derby, Leicester and Nottingham (Policy 13). The 3 Cities Sub-Regional Strategy in Part 2 of the Plan contains more specific guidance on the definition of the Principal Urban Areas, Green Belt review (Derby/Nottingham), Green Wedges and sub-regional priorities for housing, employment and transport.

Proposed Comment 2

2.7 Leicester City Council supports the Spatial Strategy's focus on the Principal Urban Areas as the most sustainable locations for significant new development. We welcome the increased emphasis on promoting better design standards.

Housing

2.8 Policy 14 provides future housing provision figures for each of the sub-regional Housing Market Areas (HMA) in the East Midlands and for individual local authorities. Targets for affordable housing and for the provision of accommodation for gypsies and travellers are also included (Policies 15 & 16). The Plan includes a 60% target for housing development on brownfield land (Policy 17) and priorities for managing housing land releases (Policy 18).

Housing Provision

2.9 The following table sets out new housing numbers, expressed in terms of projected annual build rates (ABR) for the Leicester and Leicestershire housing market area (HMA) and individual districts for the period 2001-2026.

Area	Current Annual Provision	Current ABR	DCLG Trend Projection	Proposed ABR	Total Housing Provision
Whole HMA	3,034	3,114	3,783	3,780	94,500
Leicester	950	782	826	1,180	29,500
Blaby	233	207	391	340	8,500
Charnwood	470	658	565	760	19,000
Harborough	378	364	522	345	8,625
Hinckley & Bosworth	340	558	435	460	11,500
Melton	210	143	261	160	4,000
NW Leics.	368	377	522	480	12,000
Oadby & Wigston	85	88	261	55	1,375

2.10 Almost two thirds of the new dwellings proposed in the Regional Plan for the Leicester and Leicestershire HMA comprise existing completions, planned development in local plans or identified as additional capacity. Leicester's share of new housing is 29,500 new homes to 2026 (1,180 per annum). This represents a 24% increase on the current Structure/Local Plan target. While this figure is almost the same as the annual shortfall in affordable housing adopted by Cabinet (April 2006), it is significantly above existing annual build rates and the DCLG trend projection. The scale of future provision reflects that proposed in the recently confirmed 3 Cities New Growth Point. The Government has stated that the New Growth Point proposals will be subject to consultation, testing and examination through the Regional Plan and Local Development Frameworks.

Proposed Comment 3

2.11 The level of housing growth proposed for Leicester was agreed in principle by the City Council at the earler RSS Options for Change consultation stage, subject to a caveat that delivery would be dependent on increased public funding for new infrastructure, improvements to public realm and community facilities, as well as additional resources to ensure appropriate provision of affordable housing. The annual target of 1,180 dwellings is challenging but achievable through public and private sector partnerships. Annual house building rates in the City have been increasing year on year since 2002/03. The Government's decision to designate the 3 Cities and 3 Counties as New Growth Points will bring additional funding to secure earlier delivery of planned regeneration projects and ensure sustainable growth. The funding awarded for 2007/08 to carry out urban capacity studies for the 3 Cities will assist us in providing an independent assessment of the future capacity for new housing in the principal urban areas.

Achieving an appropriate Mix of Housing Types

2.12 Policy 13 (3 Cities Sub-Area) refers to the need for a mix of house types. Policy 15 also requires Local Development Frameworks to include policies seeking the provision of a mix of dwellings in terms of size and type to help create inclusive communities. Paragraph 3.1.9 states that local authorities should have a strategic vision of the kinds of communities they wish to foster. This should ensure a reasonable mix of housing and address any identified imbalance. The Corporate Director of Housing has asked that Local Plan Policy H06 be strengthened to secure an appropriate housing mix for Leicester on large sites.

Proposed Comment 4

2.13 We welcome the move towards a more robust planning framework that can influence house types/sizes to meet local needs, but there is a need for clear government planning guidance. We hope that the final version of 'PPS3: Housing' (anticipated in December) will provide stronger guidance to local planning authorities on achieving sustainable mixed communities. We acknowledge the need to address the demand for specific types of housing through the proposed Leicester and Leicestershire Housing Market Area Assessment. This will provide a robust evidence base for the City Council's Local Development Framework.

Affordable Housing Targets

2.14 Policy 15 includes indicative affordable housing targets for each HMA. For Leicester and Leicestershire HMA the affordable housing target is 33% made up of 25% social renting and 8% intermediate housing. These are 'interim' targets and should be reviewed by local authorites following the completion of full Housing Market Area Assessments and then incorporated into Local Development Frameworks. While the percentage target appears similar to the

Leicester Local Plan's target, when applied to the whole HMA it equates to 1,260 affordable dwellings per year. This is not much higher than the current affordable housing shortfall in Leicester City alone.

Proposed Comment 5

2.15 Leicester City Council supports, in principle, the inclusion of regional and subregional affordable housing targets and recognises that these are 'interim targets' pending the completion of HMA assessments. We welcome the tenure mix shown but Leicester City Council's 2006 housing needs survey update indicates a level of need in excess of 1,000 dwellings. Notwithstanding the different methodologies between the Regional Affordable Housing Study and local housing needs assessments, we are concerned that the proposed HMA level target may undermine our efforts to achieve appropriate affordable housing in the City. Progress on HMA assessments elsewhere in the Region indicates that higher affordable housing targets will be required.

Provision for Gypsies and Travellers

2.16 Policy 16: sets out regional priorities for provision and includes interim minimum additional pitch requirements for gypsies and travellers in Appendix 3 of the Regional Plan. This requirement is based on Leicester City Council's and Leicestershire County Council's own figures of need. It is not grounded in a Gypsy and Traveller Accommodation Assessment of the type currently under way for the Leicester and Leicestershire HMA. For the whole HMA the interim minimum requirement is for 51-75 caravans; Leicester City's requirement is for 7 pitches (10 caravans)

Proposed Comment 6

2.17 Leicester City Council acknowledges the requirement for local authorities to work together to provide for appropriate site provision for gypsies and travellers on a regional and sub-regional basis. Leicester City's minimum requirement for 7-10 pitches broadly reflects current identified local needs. The Leicester and Leicestershire assessment of accommodation for gypsies and travellers will provide more accurate and reliable information on future requirements to inform the preparation of district Local Development Frameworks.

Managing the Release of Land for Housing

2.18 Policy 18 encourages local authorities, developers and relevant public bodies to work together across administrative boundaries to ensure that the release of sites is managed to achieve a sustainable pattern of development. Joint working between local planning authorities is expected within the Leicester and Leicestershire HMA on assessments of urban capacity and phasing policies in Local Development Frameworks.

Proposed Comment 7

2.19 We recognise the need for joint working between the City Council and adjoining planning authorities. The inclusion of strong phasing policies in District LDFs is essential to manage the release of strategic greenfield sites in order to maximise sustainable regeneration opportunites within the Leicester Principal Urban Area. An urban capacity study will be commissioned for the Leicester PUA as part of the New Growth Point initiative.

Economy and Regeneration

2.20 This section is based on the revised Regional Economic Strategy (RES) produced by the East Midlands Development Agency (emda). Policy 19 recognises the need to focus regeneration activity on the Principal Urban Areas where levels of deprivation are highest. Retail development opportunities are

acknowledged for the town centres, especially the Principal Urban Areas and Sub-Regional Centres (Policy 21). Proposals for new casinos should benefit the regeneration areas (Policy 22). The Regional Plan currently does not identify district employment land provisions, instead local planning authorities are expected to identify the need and provision for employment land having regard to HMA's so that housing and employment development is balanced. Further work is being undertaken by EMRA and emda to seek to establish employment land requirements at sub-regional HMA level.

Proposed Comment 8

2.21 We support the policies focusing regeneration and new retail and leisure development within the Principal Urban Areas. We recognise the need for sub-regional requirements for employment land and it will be necessary to provide strategic guidance for District LDFs.

Natural and Cultural Resources

2.22 This section contains revised targets for biodiversity, waste reduction and management, renewable energy and energy efficiency. It also sets regional policies for protecting and enhancing the natural and historic environments, managing flood risk, mineral extraction and promoting 'green infrastructure'. It reflects the revised Regional Cultural Strategy produced by Culture East Midlands.

Proposed Comment 9

2.23 These policies reflect the Regional Plan's emphasis on promoting sustainable development and addressing the impacts associated with climate change. They reflect Leicester's Cultural Strategy priorities of protecting, enhancing and promoting our built and natural heritage, including historic buildings, conservation areas and parks and open spaces.

Proposed Comment 10

2.24 The City Council welcomes and supports the Natural and Cultural Resources section 3 of the Regional Plan.

Regional Transport Strategy (RTS)

2.25 The RTS contains policies and proposals to help deliver the Spatial Strategy, and to contribute to other regional and sub-regional priorities. The RTS aims to reduce the need to travel and the rate of traffic growth, promote a step change in the quantity and quality of public transport, and only promotes additional highway capacity when all other options have been exhausted. The recent process to determine regional infrastructure priorities up to 2016 informs the RTS. The Draft Regional Plan provides for the further operational expansion of the Nottingham East Midlands Airport (NEMA).

Proposed Comment 11

- 2.26 We support the six key regional transport objectives, but would like to see the inclusion of a clear link with improving urban as well as rural accessibility. The strengthened policies on behavioural change and traffic growth reduction reflect the objectives set out in the Central Leicestershire Local Transport Plan (LTP). Our LTP target is to keep year on year traffic growth to zero in the 0700-1000 morning peak. We support the defined interventions for helping us towards meeting this target as they are are consistent with our LTP.
- 2.27 We feel that there needs to be a basis upon which some local planning areas can be given more flexibility in setting parking standards for their area. This could be based on travel planning proposals and conclusions, or local car ownership

statistics in residential areas. Parking level targets should be considered over time as it may be necessary to front load spaces in some developments.

2.28 We support the investment priorities because they are consistent with the Regional Funding Allocation Advice. However, we suggest that there should be a reference to Park and Ride facilities (including Blaby station) in Appendix Six: Regional Transport Investment Priorities.

Part 2: Sub Regional Strategies

- 2.29 There are 4 sub-regional strategies. Leicester is included in the Three Cities Sub-Regional Strategy. That strategy contains policies and proposals to create a more sustainable pattern of development and movement in Derby, Leicester and Nottingham and their hinterlands and to promote overall economic competitiveness. It also includes proposals for local authorities to review the boundaries of the Nottingham/Derby Green Belt. It maintains the longstanding policy on Green Wedges.
- 2.30 The Three Cities Sub-Regional Strategy is based on the advice given by section 4(4) authorities, including Leicester City Council and Leicestershire County Council (further details are included in Appendix 1). The sub-area contains the Derby, Leicester and Leicestershire, and Nottingham Housing Market Areas. The Government has recently designated the sub-area a 'New Growth Point' over the period 2006 to 2021 with new development associated with this status focused primarily on the 3 Cities.
- 2.31 The housing strategy for the Leicester and Leicestershire HMA focuses initially on the Leicester urban area, where there are substantial brown-field opportunities. However, this will not be sufficient to meet all the proposed housing provision to 2026, and later in the plan period there will need to be planned sustainable urban extensions. The Sub-Regional Strategy suggests that the best opportunities to meet this additional provision for the PUA lie west of Leicester in Blaby District (between the A47 and M69) and north of Leicester in Charnwood (east of Thurmaston).
- 2.32 Officers have commissioned a transport assessment (TA) to assess the overall traffic impact of the large sustainable urban extensions proposed in the RSS. The TA is:
 - Using existing and new transport models to predict the amount of traffic that would be generated from these major developments and its impact on the existing road network
 - Assessing potential amelioration measures investment in sustainable transport and new road links to see whether they could absorb the additional traffic
 - Assessing the likely cost of those measures and hence their potential affordability in the context of developer and Growth Point funding
 - From this, drawing conclusions as to the achievability of the sustainable urban extensions.

2.33 The assessment is almost complete. The work seems to indicate that:

- There may be a need for major investment in bus services, park and ride, and cycling and walking facilities to have any prospect of the additional traffic having an acceptable impact on the city.
- Even with this, depending on the site, significant new road links and amendments to existing road links and junctions in the county and the city may be necessary at substantial cost.
- Subject to these provisos, it appears likely that the potential sustainable urban extensions in Central Leicestershire near Thurmaston and west of the M1 to the west of the city could be accommodated in transport terms.

These provisional findings are, of course, subject to final confirmation.

Proposed Comment 12

2.34 We support the strategy's focus on the 3 Cities Principal Urban Areas as it is consistent with the level of proposed growth in the New Growth Points bid. The emphasis on maximising urban capacity within Leicester also reflects the key regeneration components of the adopted City of Leicester Local Plan.

3 OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	PARAGRAPH REFERENCES WITHIN SUPPORTING PAPERS
Equal Opportunities	NO	Not directly
Policy	YES	Whole report
Sustainable and Environmental	YES	Sustainability appraisal has been an integral part of RSS preparation.
Crime and Disorder	NO	
Human Rights Act	NO	
Older People on Low Income	NO	Not directly

Risk Assessment Matrix

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
Not able to shape the RSS in a way that protects and enhances the interests of Leicester and its people	L	M/H	Ensure appropriate resources within the Planning Service are assigned to the input to the preparation of new RSS8.
	L - Low M - Medium	L – Low M - Medium	

H - High H - High

4 Background Papers – Local Government Act 1972

Regional Spatial Strategy for the East Midlands (RSS8) – Adopted March 2005

Review of the East Midlands Regional Plan to 2026 – Options for Change October 2005.

Draft Regional Spatial Strategy for the East Midlands (RSS8) – September 2006

5 Consultations

Service Directors, Regeneration & Culture Corporate Director of Housing

The Regional Plan review has involved extensive consultation with public and private sector stakeholders. This has included a series of consultation seminars at key stages. East Midlands Planning Aid has facilitated several events to involve and encourage local community participation in the regional planning process.

Advice submitted by the Strategic Planning Authorities to EMRA on the Distribution of Housing within the Leicester and Leicestershire Housing Market Area (3 Cities SRS Policy 1)

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

Leicester City	1,180 dws pa, all within Leicester PUA
Blaby	340 dws pa, of which 160 dws pa should be a planned sustainable urban extension to the Leicester PUA.
Charnwood	760 dws pa, of which 195 dws pa should be a planned sustainable urban extension to the Leicester PUA.
	Development in the remainder of the district will be focussed primarily on Loughborough, including 195 dws as a planned sustainable urban extension.
Harborough	345 dws pa, majority of which should be within or adjoining the Leicester PUA and focussed on Market Harborough.
Hinckley & Bosworth	460 dws pa, of which 195 dws should be a planned sustainable urban extension to Hinckley
Melton	160 dws pa, of which 50 dws should be a planned sustainable urban extension to Melton Mowbray
North West Leics.	480 dws pa, of which 195 dws should be a planned sustainable urban extension to Coalville
Oadby and Wigston	55 dws pa, the majority of which should be within or adjoining the Leicester PUA.

Urban extensions around Leicester, Loughborough, Hinckley, Melton Mowbray and Coalville will provide for the definition, extension and protection of green wedges penetrating the PUA and avoiding coalescence between the PUA, Sub-Regional Centres and other settlements.

This advice has been informed by analysis undertaken on the information available at August 2006, and therefore may be modified in the light of new information. In addition it should be noted that although Option 2B is considered to be an appropriate level of growth for Leicester and Leicestershire the advice is subject to the following strong provisos:

- a. Significant new funding, including from the Growth Point bid, would be needed for infrastructure investment to support increased levels of development; in particular new funding is needed for transport infrastructure, social infrastructure and affordable housing.
- b. Affordable housing provision is a key issue in the City and in rural areas in Leicestershire and mechanisms for providing sufficient levels of affordable housing need to be secured.
- c. Option 2B is ambitious and in order for it to be successfully delivered needs to be subject to increasing the take up of brownfield land for development in Leicester City. To aid this process an effective phasing policy needs to be introduced within the

Regional Plan to ensure that further greenfield urban extensions (which could impact on sensitive green wedges) are not brought forward for development unless they are needed later in the Regional Plan period, enabling brownfield regeneration in Leicester City and the wider Principal Urban Area to take priority.

- d. A concentration policy for housing development within the urban areas could lead to the displacement of employment development to greenfield sites on the edge of the urban areas. This emphasises the need for an integrated approach to the future location of development and emphasises the importance of urban capacity work to be undertaken for Principal Urban Areas to inform the distribution and level of provision. This also necessitates the need for strong and effective cross-border working arrangements.
- e. A strong emphasis will need to be given to the protection and enhancement of urban green spaces to ensure they do not come under undue pressure for development and to ensure that they add to the quality of the environment in urban areas. Furthermore, emphasis also needs to be placed on green wedges and the importance of exploring opportunities to link Community Forests and green wedges with new development.
- f. The 2B Option does not fully take account of the 2003 Households Projections which increase the required level of housing provision, or the expected 'policy on' job forecasts which are similarly likely to increase the number of anticipated jobs.