

LEICESTERSHIRE TOGETHER (Local Strategic Partnership) BOARD

Monday 23rd June 2008

PENNBURY ECO-TOWN

REPORT OF THE STRATEGIC SENIOR OFFICER GROUP (SSOG)

Background

The attached report was considered by the Strategic Senior Officer Group (SSOG) at its meeting on May 28th 2008. SSOG agreed the following:

- that the various assessments should include a Health Impact Assessment, sustainability of employment, support (including housing design) for older people and recreational opportunities
- that comments on the impact of Pennbury on services be forwarded by June 10th for inclusion in LCCs report to Cabinet on 20th June (copy attached as Appendix A)
- that a further report should be provided to SSOG on 3rd September with the information obtained from the assessments at that stage. This will inform the final response to Government by 31st October

Recommendation

It is recommended that the Board:

- (a) Considers the additional assessments proposed by SSOG (above), and identify any further assessments that should be undertaken in order to identify the type and scale of services and facilities that Pennbury would require if it went ahead.**
- (b) Consider the comments on Pennbury in the LCC Cabinet Report of 20th June and identify further comments for inclusion in the response to be submitted by 30 June.**
- (c) Receives a further report on 15th September 2008, summarising information obtained from the assessments completed by that date, to inform the final response can be made by 31 October.**

Officer to contact:

Frazer Robson

frobson@leics.gov.uk

STRATEGIC SENIOR OFFICER GROUP

28 MAY 2008

PENNBURY ECO-TOWN

REPORT OF LEICESTERSHIRE COUNTY COUNCIL

Purpose of Report

1. The purpose of this report is to:
 - (a) bring members of SSOG up to date with the proposals and the process which the Government is planning to follow to decide whether the Pennbury eco-town should be supported or not;
 - (b) seek guidance on the type and scale of services and facilities which Pennbury would require if it went ahead;
 - (c) seek input from SSOG on a response to the Pennbury proposals – an initial response by 30 June and following more detailed assessments, a final view by 31 October.

Background to the Eco-towns

2. In its consultation paper 'Eco-towns, Living a Greener Future', the Government refers to the major housing shortage currently facing the country and the difficulty many first time buyers and young families experience when trying to find a suitable home. Affordable housing in particular is in very short supply. At the same time, the threat of climate change means that carbon emissions from homes need to be cut and new homes are needed which are resilient and adaptable to a changing climate. Eco-towns will help solve both of these challenges. The consultation paper goes on to state 'by radically rethinking how we design, plan and build our homes, we can create zero carbon developments which combine affordable housing, environmental sensitivity and outstanding quality.
3. Eco-towns should meet the following criteria:
 - (i) Eco-towns must be new settlements, separate and distinct from existing towns but well linked to them. They need to be additional to existing plans, with a minimum target of 5,000 homes;
 - (ii) The development as a whole should reach zero carbon standards, and each town should be an exemplar in at least one other area of environmental sustainability;
 - (iii) Eco-town proposals should provide for a good range of facilities within the town – a secondary school, a medium scale retail centre, good

quality business space and leisure facilities;

(iv) Affordable housing should make up between 30 and 50 per cent of the total through a wide range and distribution of tenures in mixed communities, with a particular emphasis on larger family homes;

(v) A management body which will help develop the town, provide support for people moving to the new community, for businesses and to co-ordinate delivery of services and manage facilities.

4. The Government invited bids for new eco-towns and received 57 submissions. On 3 April following an initial scrutiny, the Government published a list of 15 locations that have been short listed as possible sites for eco-towns. One of these locations lies to the south east of Leicester in an area between Leicester, Oadby, Thurnby and Houghton on the Hill. Here the Co-operative Wholesale Society has put forward a proposal for an eco-town in conjunction with English Partnerships.

The Pennbury Eco-town Proposals

5. The Co-op have provided the local authorities with some information about Pennbury but have not yet provided the level of detail required to assess fully the proposals. This is partly because some of the information is commercially sensitive (and the Co-op are still in a competitive bidding process) and partly because some of the details will only be decided once feedback from the local authorities and the consultation exercise has been received. The County Council has already pressed for further information and a recent letter from Caroline Flint (Minister for Housing and Planning) to the Leader of the County Council states that the bidders are being urged to share their documents with local authorities and the public.
6. What we do know is that the Co-op is proposing between 12,000 and 15,000 new homes built over a 15 year period at Pennbury on 750 hectares of land (the Co-op and English Partnerships own over 1700 hectares). Between 4,000 and 5,000 of these would be affordable houses and some discussions have already taken place with RSL's. At present, no decisions have been taken on the type and size of homes to be provided or the nature of the affordable housing. All of this will clearly have a great bearing on the services and facilities needed to support Pennbury.
7. The Co-op state that all the houses would be built to meet high environmental standards and will include a number of innovative eco measures. What will be particularly interesting will be the costs associated with delivering these measures which will no doubt be high. A range of facilities including schools, shops, health facilities, parks and leisure facilities would all be provided in the eco-town. A management body would be established for the town.
8. The eco-town is intended to be a sustainable stand alone community as far as possible. The Co-op has estimated that jobs would be needed for 16,500 of the Pennbury residents and that 9,900 jobs would be provided at

Pennbury itself. The assumptions behind these figures have not yet been made known.

9. The design of the town will encourage walking and cycling with good public transport both within Pennbury and to Leicester and other centres. Parking will be tightly controlled and efforts made to minimise the use of cars (for example via car sharing, quality bus schemes, reverse congestion charging, business travel plans etc). Two park and ride sites will be established – one at Great Glen and one on the A47. The Co-op state that they intend to minimise the impact of Pennbury on the road network but acknowledge that some improvements will be needed. The EDDR would be completed although not necessarily on its currently allocated route. There are no proposals for a new link road between the A 47 and the M1 and no proposals for a LRT system into the city Centre. The County Council's Highways staff are currently examining the proposals in conjunction with the City Council, and Harborough and Oadby and Wigston Councils.

The Programme for deciding if Pennbury should go ahead

10. The Government has indicated that there will be four stages to take forward the eco-town programme:
 - Stage 1 – a consultation to 30 June on preliminary views on eco-towns in general and the 15 locations short listed. Sustainability appraisals will also be undertaken during this period. It is possible that if an appraisal reveals an absolutely fundamental problem with a scheme then it could be dropped at the end of this stage. There has, however, been a lot of confusion over this point and the Government position is still not completely clear.
 - Stage 2 – from July to the end of October, there will be consultation on more detailed assessments of the 15 locations and the publication of a draft planning policy statement on eco-towns.
 - Stage 3 – publication of the final list of locations with potential to be an eco-town by the end of the year.
 - Stage 4 – consideration of planning applications for individual schemes.

The County Council's Initial Response

11. Leicestershire County Council has already made a preliminary response to the Government about Pennbury. It has pointed out that 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 Council does not think that Pennbury is an appropriate location for an eco-town. It believes that the area lacks the necessary transport infrastructure and has concerns that Pennbury would adversely affect regeneration work currently underway in Leicester. Other more suitable sites could be found for an eco-town. The Council has also raised concerns about the lack of detail

provided so far by the Co-op. Proper assessments can only be made once this is available.

The Current Consultation Stage

12. It is essential that there is very extensive consultation so that everyone and every organisation can have a chance to comment on the proposals. Between now and the end of June, the County Council will be distributing a newsletter that provides information about Pennbury and invites comments from members of the public. This will be followed up by two public meetings – on 9 and 12 June. Drawing on this and having carried out some initial assessments, the Council will make further comments itself by the end of June. Harborough and Oadby and Wigston Councils are carrying out their own consultation exercises.
13. The Co-op is also carrying out a consultation exercise. They will be holding an exhibition from 10 to 14 and 16 June at different locations. Members of the public will be invited to find out more about Pennbury and discuss the proposals with the Co-op's development team

Further Work Needed

14. To be able to come to a considered and final view, it will be essential to understand fully the proposals being put forward by the Co-op and to carry out studies which will help to decide whether Pennbury should be opposed or supported. The Government have already commissioned a sustainability appraisal which will look at the environmental aspects of the development. A transport assessment will be undertaken by the Co-op, the County Council and the City Council in consultation with Harborough and Oadby and Wigston Councils to see if the transport proposals are acceptable. The Government will also be commissioning a financial assessment along with the local authorities to see if the development is viable. The infrastructure costs associated with Pennbury, the provision of affordable housing and the very high eco standards all mean that Pennbury will be a very costly project. As the majority of the land is in the Co-op ownership, this will make it easier to deliver the project and to make it viable. However, this matter needs to be thoroughly examined as viability will be a crucial consideration. It must also be related to Section 106 requirements and developer contributions.
15. The County Council supports this work but has asked for further studies to be undertaken to ensure that a complete assessment of the project can be made. These include:
 - A review of the current planning policy framework for the area – at the national, regional, sub regional and particularly local level. Even if this is to be a decision taken to meet national needs and effectively out with the normal planning framework, existing policies must be taken into account and must be fully documented. We are still in a plan led system.

- An assessment of the impact of Pennbury on the regeneration of the City and other towns. As investment resources are finite, would the development of Pennbury restrict regeneration activity?
- An assessment of the capacity of the housing market in the City and County. Can the market cope with Pennbury and all the other developments already identified or will Pennbury simply mean that other more difficult sites do not get developed and developers simply hold onto to their land? Could these issues be handled via careful phasing of development? We would also want to extend this to cover/ take account of other growth outside City and County including Northants, Milton Keynes, Rugby etc.
- Affordable housing – how much and what type of affordable housing is needed? How much and what type can actually be delivered? How much would be available to meet local affordable housing needs and how much would be for those moving into the County?
- The capacity of the construction industry – does the industry have the capacity to deliver Pennbury at a time when the City is engaged in the biggest regeneration programme for years and when so many other developments across the City and County are due to come on stream? Will there be a big enough construction work force to meet demands? There is a related issue about whether the skills/ capacity/ supply chains in new eco-products (green building materials/ techniques) will be there in time to deliver eco-towns/ sustainable urban extensions etc.
- Employment land and jobs. How many jobs will be provided in Pennbury and what type will they be? What sort of industries will they be looking to attract and what are the land and environmental consequences of this? What are the transport implications? Can these industries and jobs be delivered? Would it simply mean that jobs will be lost to other areas of the City and County? A HMA Employment Land Study is already under way and being undertaken by Warwick Business Management Ltd. Should this study be expanded to include Pennbury as well?
- Retailing facilities. How much retail floor space is needed in Pennbury? What type of retailing will be provided and where? What effect will this have on existing retail facilities in the area?
- Support facilities – schools, community buildings, health centres, police station etc. What is needed, how much will they cost and how can they be delivered? Will funding be available to meet future revenue costs? What effect will Pennbury have on nearby existing facilities?

16. All of these studies will need to be completed by October so that the Council will have all the information it needs to come to a final decision on the scheme.

Working Arrangements

17. The County Council is currently working closely with Harborough District, Oadby and Wigston District, the City Council, the Government Office, the Communities and Local Government Department and the Co-op to carry out the work that is needed and to co-ordinate a response to the Pennbury proposals. A Joint Technical Group has been established to do this. A Project Board has also been established within the County Council to help to collect information on County services and facilities and to co-ordinate the County's response.

Further Information

18. Further information on Pennbury is available via the County Council's website. This includes links to a variety of documents including Government documents and County Council reports relevant to Pennbury. The Co-op also has a website with further information as do the other local authorities.

Conclusions and the Way Forward

19. Pennbury is one of the biggest development proposals that the County has ever had. It is essential that the County Council and other agencies co-ordinate their response to the proposals, firstly to meet the 30 June deadline and then to co-ordinate work which will allow a far more considered assessment of the proposals to be undertaken and a final County Council view taken by the end of October.

SSOG is recommended to:

- (d) Give guidance on the type and scale of services and facilities which Pennbury would require if it went ahead.
- (e) Make initial comments on Pennbury in respect of their service areas so that a response can be made by 30 June.
- (f) Comment on the additional work suggested above and advise on how this can best be taken forward such that a final response can be made by 31 October.

Officer to contact:

Frazer Robson

frobson@leics.gov.uk