

**LEICESTERSHIRE TOGETHER (LOCAL STRATEGIC
PARTNERSHIP) BOARD**

Tuesday 22nd May 2007

**NEW GROWTH POINT UPDATE AND DEVELOPMENT
OF A COUNTY INFRASTRUCTURE PLAN.**

REPORT BY LEICESTERSHIRE COUNTY COUNCIL

Background

1. The Three Cities and Three Counties Sub-region (also known as the 6Cs) has been designated as a New Growth Point (NGP) by the Government. This followed a successful bid by the 6Cs authorities. The attached Leicestershire Together briefing note, circulated last year, provides background to the designation.

Latest Position

2. Recent/ ongoing developments include:
 - a. The scale and broad distribution of housing growth in the East Midlands up to 2026 will be determined through the Regional Plan process. An Examination in Public will be considering the Regional Plan between May and July 2007, with Leicester Shire housing issues being examined on June 27th & 29th.
 - b. Communities and Local Government (CLG) have asked for the submission of an initial draft programme of development (or Growth Delivery Plan) by end of May 2007, with further details by end July 2007. Such a programme will need to set out the infrastructure provision required to support the provision of housing as part of sustainable communities. CLG has made it clear that NGP funding can be used for a wide range of infrastructure, including hospitals and other health facilities, leisure centres and green infrastructure as well as highways and public transport. The programme to be prepared over the next few months will necessarily be indicative and broad brush, particularly for longer term investment, as the scale and distribution of housing development remains to be determined. It is anticipated that early NGP funding will be used to support the bringing forward of housing development opportunities in urban areas, particularly in Leicester. NGP investment to support housing development in large sustainable urban extensions in Leicestershire (five are currently proposed in the Regional Plan, to be provided from 2016) will not be required immediately.
 - c. The scale of NGP funding will not be known until after CSR 2007 but it is becoming increasingly clear that NGP funding itself will not solve the infrastructure challenges associated with growth, and that it will need to be utilised in conjunction with main programme spending and developer contributions.
 - d. NGP is increasingly being seen as but one part of the broader 'place-shaping' agenda, and the principles underpinning the development of

sustainable communities will need to apply to all future development and regeneration activities, not just those in growth locations.

- e. A 6Cs NGP Programme Board has been established to oversee the programme across the sub-region. It is chaired by the Chief Executive of Leicester City Council, and includes representatives from the 6Cs authorities, emda, GOEM and English Partnerships. A Programme Co-ordinator, Guy Wisbey, has been jointly appointed by the 6Cs authorities.
- f. A Programme Board for the Leicester and Leicestershire Housing Market Area will be established shortly (see paragraph 3 below).
- g. A Land Availability Assessment for the Leicester Principal Urban Area has been produced by consultants who were commissioned using initial NGP funding allocated for 2007/8. This will form part of the evidence base for further work on the Regional Plan.

Forthcoming Activity

- 3. A Leicester Shire NGP Programme Board is in the process of being established. This Board will oversee the NGP programme across the whole of Leicester and Leicestershire, feeding into the partnership arrangements at the 6Cs level. It is anticipated that the first meeting of the Programme Board will take place in early July, but that Board members would, in the meantime, be consulted on the development of the initial draft Growth Delivery Plan. A proposed membership of the Programme Board is attached as Appendix B.
- 4. The County Council is planning to start two pieces of work which will inform the development of the Growth Delivery Plan, but which will also form part of the evidence and intelligence base for the revised Sustainable Community Strategy and new LAA.
 - a. Collection of evidence and intelligence relating to 'places' in Leicestershire, principally the main towns/ urban areas in the county, including those which are proposed as future growth locations;
 - b. Development of a County Infrastructure Plan which will set out infrastructure commitments, proposals and requirements from a wide range of agencies. It is intended that where appropriate these infrastructure requirements will be aggregated at a 'place' level.
- 5. In relation to both these pieces of work key local and regional agencies will be contacted over the next two to three months.

Recommendation

It is recommended that the Board notes the contents of this report.

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Briefing Paper

THE THREE CITIES AND THREE COUNTIES NEW GROWTH POINT DESIGNATION

The Government announced on 26th October 2006 that the 3 Cities & 3 Counties area has been designated as a New Growth Point as part of the Government's 'Partnership for Growth' initiative. The bid to be designated was submitted by the six principal authorities in the area (the 6Cs¹) and was supported by district councils and emda. The designation will provide access to substantial extra funding up to 2016 to provide essential infrastructure, services and facilities in support of future housing provision. This briefing paper explains what NGP designation is likely to mean for Leicestershire.

What is 'Partnership for Growth'?

The Government's "Partnership for Growth" initiative is based on 4 guiding principles:

- working with local authorities to support the early delivery of more housing and ensure the type of housing provided responds to local and market conditions and affordability pressures;
- supporting schemes which are exemplars of sustainable development, set the highest standards of design, support the local environment and promote ways to cut carbon emissions to help reduce the carbon footprint of new housing, leading the way towards the government's longer term aim of zero carbon development;
- ensuring that infrastructure and services keep pace with people and homes. A cross-Government process to support the new growth points will involve all the major transport and environment agencies, as well as other regional and local partners. There is potential to make better health and education an integral feature of new design;
 - On environmental infrastructure the programme should enable partners to identify and plan for the additional water supply, sewerage, waste and other environmental infrastructure their proposals require. They will then be able to show how these needs will be addressed when their specific detailed proposals come forward;
 - On transport we need to achieve more sustainable travel outcomes, for example through the design and location of new development encouraging more use of bus, cycling and walking and minimising any increase in long distance commuting. Partners will be encouraged to exploit existing public transport networks in determining the most

¹ Derby City Council, Derbyshire County Council, Leicester City Council, Leicestershire County Council, Nottingham City Council, Nottinghamshire County Council

sustainable locations for growth whilst recognising that additional infrastructure will also be needed.

How many new homes will be provided?

The number and location of new homes in Leicestershire is not determined through the 'Partnership for Growth' initiative. The Secretary of State will decide the overall number and broad distribution of homes to be provided in Leicestershire up to 2026 as part of the Regional Plan process. In doing this she will take account of the advice of the Regional Assembly and local authorities and the views of other stakeholders and local people.

The Draft Regional Plan proposes the provision of 65,000 homes in Leicestershire between 2001 and 2026 and also proposes a district by district distribution of housing provision and includes guidance on the scale and broad location of sustainable urban extensions.

The precise location of new homes will be decided through Local Development Frameworks being produced by district councils.

How much money is available?

It is not known at this stage how much money will be available to support the long term delivery of 'Partnership for Growth' in the 3 Cities & 3 Counties area, or more specifically in Leicestershire. The Government will be deciding this as part of the 2007 Comprehensive Spending Review. The Government has indicated that it will ensure that departmental resources across Government are targeted appropriately to provide the national, regional and local infrastructure necessary to support future housing growth.

Initial funding allocations to the New Growth Points in 2007/8 total £40 million. Of this £5.485m has been made available to the 3 Cities & 3 Counties area. Appendix 1 summarises how this money will be spent.

How will New Growth Point funding be used?

Local partners will need to agree a Growth Delivery Plan with Government. This will set out the works to be carried out, how much they will cost and a timetable for delivery. The Growth Plan will form part of Local Area Agreements, with NGP funding 'pooled' within the LAAs.

The Growth Plan will need to take account of the scale and distribution of housing (and of other land uses such as employment) agreed through the Regional Plan and subsequently through LDFs.

The Growth Plan is likely to include projects which bring forward previously used urban sites, improve transport infrastructure, enhance the environment and public realm, and provide essential services (such as schools, hospitals and leisure centres). It is expected that the early part of the Growth Plan period will focus on supporting housing provision in urban areas, particularly in Leicester, with the delivery of sustainable urban extensions being supported later on.

What will be the impact of New Growth Point designation and funding?

Access to substantial New Growth Point funding will:

- help deliver the infrastructure and services required to support the housing provision identified in the Regional Plan and LDFs;
- help maximise the provision of homes on brownfield sites in urban areas thereby reducing the need for greenfield land;
- where development on greenfield land is unavoidable to meet housing needs, help the delivery of sustainable urban extensions which will provide homes as part of mixed use developments built to high design standards and supported by good quality transport, education, health and other services.

How will delivery be co-ordinated and managed?

Detailed management and co-ordination arrangements are being developed now that the designation has been confirmed. A New Growth Points Programme Board will oversee the development of the Growth Delivery Plan and future implementation across the 3 Cities & 3 Counties area. A Project Manager will be recruited in early 2007. More local arrangements, covering the detailed development of the Growth Plan in Leicester and Leicestershire, will also need to be established.

More Information

Information on 'Partnership for Growth' at the website of the Department of Communities and Local Government (DCLG)

<http://www.communities.gov.uk/index.asp?id=1503854>

DCLG information on the 3 Cities and 3 Counties New Growth Point

<http://www.communities.gov.uk/index.asp?id=1503802>

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Appendix 1: Initial Pump-Priming Funding

This Appendix gives details of 3 Cities & 3 Counties' allocation of New Growth Point Funding for 2007/08. The table below shows the projects selected as meriting support and the maximum amount of grant the Government is willing in principle to allocate. Allocating funds in principle means that there is further work to be done before the Government is in a position to commit funds. Projects are subject to detailed negotiation and appraisal, and so allocations should be taken as provisional approval only.

Provisional Allocation - Selected Projects						
	Capital Projects		Revenue Projects			Total
		2007 / 08		2006 / 07	2007 / 08	
Three Cities	Derby Cathedral Green Terrace Earthworks	£1,800,000		£0		£1,800,000
	Derby River Derwent Bridge	£1,800,000		£0		£1,800,000
	Derby	£3,600,000	Derby		£0	£3,600,000
	Leicester Abbey Meadows Structural Landscaping	£500,000		£0		£500,000
	Leicester Wharf Street Spine	£1,000,000		£0		£1,000,000
	Leicester	£1,500,000	Leicester		£0	£1,500,000
			Nottingham Development Partnership	£0	£100,000	£100,000
	Nottingham	£0	Nottingham	£0	£100,000	£100,000
			Urban Capacity Study - 3 UAs	£0	£200,000	£200,000
			Project co-ordinator	£0	£55,000	£55,000
			3 Cities Growth Plan	£0	£30,000	£30,000
	3 Cities Joint Projects	£0	3 Cities Joint Projects	£0	£285,000	£285,000
Total	Three Cities	£5,100,000	Three Cities	£0	£385,000	£5,485,000

Proposed Membership of a Leicester Shire
New Growth \Points Programme Board

- Leicester City Council
- Leicestershire County Council
- Leicestershire District Councils (agreed representative is Sue Smith, Harborough District Council)
- Leicester Shire Economic Partnership
- Leicester Regeneration Company
- Primary Care Trusts (one place to represent the 2 PCTs)
- Housing Corporation
- English Partnerships
- Voluntary & Community Sector (to be invited through the VCS Infrastructure Consortium)
- Private sector developer/ investor (tbc)
- GOEM

Board Chair and Secretariat to be provided by City or County Council.

It is recognised that there will need to be a close working relationship with other key agencies, who will need to be invited to some Programme Board meetings when particular issues are being addressed, and who should be copied in on Board agendas, papers and minutes. These include:

- Highways Agency
- Natural England
- Environment Agency
- English Heritage
- British Waterways Board
- ENABLE/ Groundwork Leicestershire

The Programme Board will oversee more detailed project work. Projects will cover the planning and delivery of growth at particular locations (for example at proposed sustainable urban extensions) and in relation to sub-regional strategic infrastructure investment (for instance relating to green infrastructure). Other partners will be invited to join project boards as appropriate.