

CABINET – 16 DECEMBER 2008

ECO-TOWNS – PROGRESS REPORT

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of Report

1. To provide Cabinet with an update on the Government's eco-town programme and specifically in respect of the proposals for an 'eco-town' at Pennbury. The report sets out the process for responding to the Government by its deadline of 19 February.

Recommendations

2. It is recommended:
 - (a) That the further work being undertaken to assess the Government's eco-town proposals, including the possibility of an 'eco-town' at Pennbury, be noted.
 - (b) That the work being undertaken by the Scrutiny Review Panel on the Proposed Development of an Eco Town, and that its report will be presented to the Scrutiny Commission on 28 January, 2009, be noted.
 - (c) That it be noted that a further report setting out the County Council's response on eco-towns will be presented for consideration to the Cabinet on 10 February, 2009.

Reason for Recommendation

3. To enable the County Council to respond effectively to the proposed the Government's eco-town programme and the proposals for an 'eco-town' at Pennbury.

Timetable for Decisions (including Scrutiny)

4. The Government is inviting responses to its eco-town proposals by 19 February 2009.
5. The Scrutiny Review Panel on the Proposed Development of an Eco Town has been meeting frequently in recent months and will have concluded its deliberations by early January. Its final report will be considered by the Scrutiny Commission on 28 January, 2009. It is proposed that the report, together with comments made by the Scrutiny Commission, will be submitted to the Cabinet on 10 February.

6. It is proposed that the Cabinet will consider a response on eco-towns at its meeting on 10 February, 2009.

Policy Framework and Previous Decisions

7. The Cabinet previously considered reports on the work being undertaken to respond to the shortlisting of Pennbury at its meetings on 8 April, 6 May, 3 June and 20 June 2008.
8. At its 8 April meeting the Cabinet resolved, inter alia, to authorise the Chief Executive to take all necessary measures to enable the County Council to respond effectively to the consultations and possible planning application in respect of the proposal. The report to that meeting identified the work required to allow the County Council and its partners to respond to the proposal.
9. On 20 June the Cabinet approved an initial response to the Government's eco-town proposals as they were then. Concerns were raised about the lack of detailed information about the proposals, the complete disregard for planning procedures and existing planning policies and real concerns about aspects of the proposals for Pennbury. Cabinet called for further more detailed information and requested that a number of studies be carried out to assess thoroughly the eco-town proposals including those for Pennbury. All these studies are now nearing completion.

Resource Implications

10. The Government and the Co-operative Group will fund some of the costs involved in carrying out this work. These details are currently being finalised. The Cabinet has authorised spending of up to £500,000 to be met from the general underspend in 2007/08 or reserves. The Director of Corporate Resources has been consulted on this report.

Circulation under the Local Issues Alert Procedure

To Members with Electoral Divisions in Oadby and Wigston and Harborough, namely:-

Mr G A Boulter CC
Mr P Callis CC
Mr M H Charlesworth CC
Dr R K A Feltham CC
Mr S J Galton CC
Mr D A Gamble CC
Mr M Griffiths CC
Mr G A Hart CC

Dr. S. Hill CC
Mr W Liquorish JP CC
Mr A P Natzel CC
Mrs R Page CC

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PART B

Background

The Draft Planning Policy Statement (PPS) and Sustainability Appraisal

11. A draft Planning Policy Statement setting out standards which eco-towns will be required to meet and the criteria by which they will be assessed has been published together with a draft Sustainability Appraisal. 12 possible locations for eco-towns are listed including Pennbury. They have been graded A (generally suitable), B (might be suitable if certain objectives are met) or C (only suitable with exceptional innovation). Pennbury has been classed as Grade B. Comments to the Department for Communities and Local Government (CLG) on the draft PPS and Sustainability Appraisal are invited by 19 February, 2009.

Financial Assessment

12. CLG have commissioned PricewaterhouseCoopers (together with ATLAS and DentonWildeSapte) to carry out a Financial Assessment of Pennbury. This is looking at the costs and values of the proposals to see if they are viable and deliverable. The work is still not completed and the authorities are unsure as to when it will become available. The matter is currently being pursued with CLG. If the results of the work are not available before the consultation deadline of 19 February then the County Council will no doubt want to reserve its position in respect of any matters emerging from the Financial Assessment. The Council may even want to ask for an extension of time beyond the consultation deadline of 19 February if there is a continuing delay with the production of the Financial Assessment.

The Co-operative Group's Proposals for Pennbury

13. The Co-operative Group and English Partnerships submitted their 'final' option proposals to CLG on 5 September. These proposals were published on the Co-operative Group's website on 9 October. Their vision for Pennbury is for a mixed use sustainable community with development meeting the highest eco standards possible. Development avoids the existing villages of Stoughton, Little Stretton and Houghton but comes within 150 metres of Oadby and Great Glen. The population is estimated as 36,000. The proposals include 15,000 new houses with a range of different house types and sizes. The overall density would be 60 dwellings per hectare. 30% of houses would be affordable but some of these may be provided in Leicester.
14. The transport strategy is based on a step change in how people move between and within places. The emphasis is on walking, cycling and public transport. A rapid transport link will be provided to Leicester city centre and will be bus based initially with the possibility of a tram system at some stage in the future. Only one park and ride is proposed – on the

A6 with reference being made to the possibility of this being at Leicester Racecourse. Car parking would be one space per two dwellings. Three new single carriageway access roads would be provided into Pennbury with measures to prevent rat running. Following consultation, the Co-operative Group has decided that they will not complete the Leicester Eastern District Distributor Road.

15. The proposals refer to the provision of 14,000 jobs being 'under consideration' for Pennbury but no details are given about the type of jobs. No specific retail floor space is given. Nothing specific is said about the sectors to be targeted but the strategy attempts to ensure that Pennbury reflects the plans contained in the Regional Economic Strategy.
16. Plans include proposals for seven 420 place primary schools and two 1,100 place secondary schools, one of which would be an all-through eco-academy. A range of facilities such as shops, a swimming pool, health facilities, sports hall, cemetery, etc. will all be provided. Pennbury would have a biomass Combined Heat and Power plant together with a number of wind turbines. These would generate sufficient energy from a renewable source to meet the needs of the eco-town. The Co-operative Group has proposals for a community company which could potentially run a number of services locally. This accords with empowering local residents. Further discussions are needed on the role of the Co-operative Group in the planning, delivery and subsequent management of Pennbury and the role which local authorities and elected Members may play in this.

Transport Assessment

17. A Transport Assessment has been undertaken to model the transport implications of Pennbury and consider transport improvements and mitigation measures which would be needed if Pennbury went ahead, and their costs. This has been led by the County Council but working in conjunction with Harborough District Council, Oadby and Wigston Borough Council, Leicester City Council, the Highways Agency and the Co-operative Group. The Transport Assessment is currently being finalised.

Strategic Assessment

18. A Strategic Assessment has been commissioned by the four authorities with the support of the Leicester Shire Economic Partnership (LSEP). Halcrow are carrying out this work. Halcrow are testing the assumptions behind the Co-operative Group's proposals and validating the Government's draft PPS and Sustainability Appraisal. (Halcrow would also have considered the Financial Assessment if it had been available). Halcrow is also looking at the economic impact of Pennbury, its impact on the regeneration of Leicester and other urban areas and its effects on other major development sites within the Leicester and Leicestershire

Housing Market Area (HMA).. The study results will be presented to elected members of various authorities at a presentation in Market Harborough on 18 December.

Scrutiny Review Panel on the Proposed Development of an Eco-Town

19. The Scrutiny Commission established a five-member panel at its meeting on 18 June 2008. The remit of the Panel is to prepare advice and guidance and outline concerns, benefits and issues for the Scrutiny Commission to consider. It is expected that the Commission will comment on the Panel's final report and will refer it to the Cabinet for consideration. The Panel has had presentations from the Co-operative Group and has heard from a number of experts relevant to Pennbury (for example, Severn Trent, the Leicester Regeneration Company, the NFU, the LSEP, SHARP (Shelter Housing Aid and Research Project), a local estate agent, etc.).

Further Consultation

20. The Co-operative Group held four workshops (on employment, education/skills, governance, health/wellbeing and transport) at the end of August. These were technical workshops which were attended by officers of the County Council and other agencies. The Co-operative Group plans to hold a further four workshops on 16 and 17 December. Further consultation may be arranged but nothing is planned at present.
21. CLG is carrying out a consultation exercise including a road show which will visit different parts of the country. This came to Leicester (Highcross) on 22 November 2008. CLG is currently considering if the road show should also go to Oadby and Harborough early in the New Year. The uncertainty is caused because the road show looks at the concept of eco-towns in general but does not deal with the detail of individual sites – however, those visiting the road show locally would almost certainly want to talk about the specific proposals for Pennbury. CLG are also considering a stakeholder deliberative event some time in late January.
22. The County Council held two public meetings in June and plans to hold two more in January. Details of these are currently being developed.

Legal Challenges

23. A legal challenge has been launched by a group from Warwickshire concerning, amongst other things, the inadequacy of the consultation process in respect of eco-towns. Leave to appeal has now been granted. The case is likely to be heard in the High Court soon. The Local Government Association (LGA) has sought Counsel's opinion on the eco-town process – this has indicated further grounds for a possible legal challenge believing that the Government's eco-town process is unlawful. The LGA is still considering its position.

Further Information

Further information on eco-towns can be found on the CLG website:
<http://www.communities.gov.uk/housing/housingsupply/growthareas/ecotowns>

Further information on Pennbury can be found on the Co-op's website:
<http://www.ecotownforleicestershire.coop>

Equal Opportunities Implications

These will be assessed through the Equalities Impact Assessment (EIA).

Background Papers

Reports to the Cabinet on 8 April, 6 May, 3 June and 20 June 2008 on 'Eco-Towns – Shortlisting of Pennbury (Stoughton)'.
Leader's Position Statement to the County Council – 21 May 2008.
Report to the Scrutiny Commission on 18 June 2008.