

### **THE PROPOSED DEVELOPMENT OF AN ECO-TOWN FOR LEICESTERSHIRE - FINAL REPORT OF THE SCRUTINY REVIEW PANEL**

#### **COMMENTS OF THE SCRUTINY COMMISSION – 28 JANUARY 2009**

##### Eco Town in Leicestershire.

The Commission considered a report of the Scrutiny Review Panel established to consider the implications of the Co-Operative Group/Homes & Communities Agency (Co-op/HCA) bid to develop an Eco-Town to the south east of Leicester. A copy of the report, marked 'E', is filed with these minutes.

Mr Bown CC and Mr Fraser CC having previously declared a personal non prejudicial interest in this matter withdrew from the meeting.

The Chairman welcomed to the meeting:-

- Mr P. A. Roffey CC, the Chairman of the Review Panel
- Mr Ruairidh Jackson of the Co-operative Group.
- Dr R. K. A. Feltham CC who was attending the meeting as a local member under the Local Issues Alert Procedure.

The Chairman advised that he proposed to deal with this item as follows:-

- A brief Introduction to the report by Mr Peter Roffey CC;
- Invite brief comments from Dr Kevin Feltham CC and Mr S. Galton CC as the local members for the area;
- Invite the representative of the Co-/HCA (Mr Jackson) to make a brief statement;
- Invite Mr Roffey CC or a member of the Review Team to make any final remarks in response to points raised by the Co-op/HCA;
- Open the debate to members and invite Mr Roffey CC and Mr Jackson to respond to questions.

He reminded the Commission that the Cabinet would be considering and determining its response to the Draft Planning Policy Statement for submission to the Department of Communities and Local Government at its next meeting on 10<sup>th</sup> February and that its consideration of the issues would include the report of the Five Member Panel.

Mr Roffey, in his introduction to the report of the Panel, reminded members that the remit of the Panel was to review the Pennbury proposal and report areas of particular concern. It was not its task to make decisions on behalf of Council.

With regard to the recent press coverage, he advised that that it was coincidental that the Co-op/HCA published their critique of the Halcrow report (a report commissioned by the County Council and other local authorities to review the Pennbury proposal) at the same time as the Panel Report. This appeared to have caused some confusion in the media reporting of this issue. He highlighted the following four areas where this had happened and indicated he would wish to address these in turn.

The first issue related to housing need. In an interview the Minister, Margaret Beckett had said that she understood why people had concern but that these houses were needed for 'our children and grandchildren'. Mr Roffey CC drew attention to findings in the report which indicated that:-

- the proposed changes to the East Midland Regional Plan included a requirement to provide just over 4,000 dwellings annually in the City and County for the period 2006 to 2026. Sufficient land had already been allocated to meet virtually all of this need without Pennbury (paragraph 82 of the Panel Report). Future requirements after 2026 needed to be reviewed (paragraphs 83 and 84).
- Harborough District Council could more than meet its Structure Plan housing targets for the period to 2016 (paragraph 20) and would be able to meet future needs identified through the Regional Plan without the need to develop Pennbury.
- At the more local level, evidence presented to the Panel suggested that the greatest demand for social housing was in the City and Market Harborough and not in the Pennbury area (paragraph 88). The report recognised that there was a need for social housing and suggested that the Council should do all it could to support provision in the areas of need.

The second issue related to the validity of the Panel Report.

In an interview the Co-op/HCA representative had stated that the Halcrow Report had based its finding on obsolete plans and hearsay and he sought to discredit the validity of the Halcrow report. In subsequent discussions it had become clear that such disparaging

comments by the Co-op/HCA did not apply to the Panel Report. Mr Roffey CC assured members that at all stages of the examination of the Pennbury proposal, the Panel sought to ensure that the evidence considered was given by professional experts in their field of knowledge and experience with specific knowledge of the Leicester and Leicestershire context.

He assured members that all the points of concern raised in the Panel Report could be substantiated by evidence, some of which was contained within the appendices to the report.

The third area of confusion concerned the transport plan proposed for Pennbury and particularly the route for a bus rapid transit link. The Co-op/HCA had stated that Halcrow had considered the wrong route yet had confirmed that the route reviewed by the Panel was correct. (A map showing the route considered by the Panel was circulated to all members.)

He went on to advise members that the Panel had travelled the route given in the Co-op/HCA published plan. The concerns drawn out in the Panel Report reflected the very genuine difficulties that would arise from the Co-op/HCA proposed transport plan for Pennbury. Some of these difficulties the Panel concluded might be impossible to resolve satisfactorily.

The fourth issue related to comments made by the Co-op/HCA which accused the Panel of failing to understand what eco-towns were about and being unable to visualise the new style of community life that Pennbury would offer. Mr Roffey challenged this view and advised that, in his view, the Panel did have an understanding the eco-town concept, having delved deeply into the huge change in attitude that would be required of its citizens – something which some would say would require a high degree of social engineering.

The Panel report also acknowledged the potential benefit to a community living in a Utopian vision of low cost self-sufficiency with 60% working within the town; nourished by locally grown food perhaps by their own hand; overseen by an inclusive and benevolent system of self-governance providing for all their needs.

Mr Roffey then highlighted for members some of the key concerns of the proposed Pennbury development as follows:-

- On the evidence received the proposal fell short of the Government's definition of an eco-town i.e. "being well linked to, but distinct from, existing settlements".
- In view of its immediate proximity to Oadby and closeness to Leicester, Pennbury should in reality be considered a proposal

for a Sustainable Urban Extension.(SUE)

- As a SUE it was an inappropriate location since the Co-op Stoughton Estate had been considered in the past but eliminated from the current Regional Plan as not being a suitable development area. Paragraph 17 of the Panel Report refers.
- The proposal had not emerged through the accepted 'plan-led' approach to development but instead was being 'developer-led'.
- The lack of an economic strategy together with compelling evidence received, indicated that Pennbury would struggle to attract the 14,000 jobs the Co-op/HCA envisaged (paragraph 126 of the report). If this important eco-town standard of providing one job per dwelling was not met it would result in more people having to travel out of Pennbury for work. This would have serious implications for the transport strategy leading to increased congestion.

Mr Roffey then drew attention to a typographic error at page 52 of the report. The fourth bullet point stated that the Co-op owned 50,000 hectares of land in the County – it should have read Country. This amendment did not alter the essence of the point which was that as a percentage of its land holding, which is mostly farmland, Pennbury would have an insignificant impact on the Co-op's contribution to UK farming. The Panel had also concluded that the loss of farmland was not a serious impediment to the Pennbury proposal.

Mr Roffey concluded by thanking the officers who had supported the Panel, particularly Frazer Robson, Sam Weston and Ben Smith, for their professionalism. He also thanked Panel members for their objective and impartial participation and to the witnesses who gave their time to discuss the areas of their knowledge and expertise. He also thanked Ruairidh Jackson and the Co-op/HCA team who attended several meetings with both the Panel and officers supporting the Panel, for their frank contribution which had greatly assisted the Panel in getting a fuller understanding of the Pennbury proposal.

The Chairman then invited Mr Galton and Dr Feltham as local members to address the meeting. In their comments both thanked the Panel for their comprehensive report on the matter and indicated that the report highlighted some of the key concerns held by residents in the area surrounding the proposed eco-town. There was a request that the Co-op/HCA and CLG should do more to talk directly to the local community. A concern was also raised that, as this proposal was outside the plan-led process there was a risk that Harborough District Council, having identified land to meet the requirements of the Regional Spatial Strategy for an additional 4000 homes could be faced with a

further development in the Borough of 15,000 homes which would lead to an over-supply of housing land and an undermining of efforts to provide homes and secure regeneration elsewhere.

The Chairman then invited Mr Jackson of the Co-operative group to comment on behalf of Co-op/HCA.

Mr Jackson began by expressing his appreciation for the work undertaken by the Panel and for the process which enabled the Co-op/HCA to present their views to the Panel. The members of the Panel were robust yet fair in their questioning and, whilst the Co-op/HCA did not necessarily agree with all of the conclusions of the Panel the process had been useful in developing a better understanding of the proposal.

The Co-op/HCA wished not to question the views of the expert witnesses but, with regard to the findings and conclusions reached, Mr Jackson advised the Commission as follows:-

- The criticism that the proposals were flawed as they were 'developer-led' rather than 'plan-led' and the lack of meaningful consultation had been the subject of a High Court hearing. The Court had not supported this view. It should also be noted that the plan-led process required Councils to invite landowners and developers to put forward potential sites for assessment.
- The level of information now provided for the Pennbury development was significantly greater than that which informed the proposals for sustainable urban extensions in the Regional Plan.
- The East Midland Regional Plan Proposed Changes had not ruled out the Pennbury site but had stated that more work, particularly on the transport infrastructure, was required. The report from Hyder Consulting had concluded that the Pennbury site was equal to, or better than some of the sustainable extensions proposed. The Roger Tym report had also suggested that the site had potential to accommodate between 500 – 1,000 homes.
- The current economic downturn had impacted on house prices and sales. However, there was general agreement that there was a medium to long-term undersupply of housing, particularly affordable housing, and that the market would catch up.
- On the issue of "being well linked to, but distinct from, existing settlements" the House of Commons Environmental Audit Committee had recognised the need for eco towns to be close to existing commercial centres to ensure sustainability.

- The Co-op/HCA disagreed with the description provided in the panel report of the sequential test for selecting housing sites and referred members to PPS 3 where the approach was clearly outlined.
- The accepted approach was to consider housing need on a HMA basis (i.e. the wider Leicester area) and not at such a local level as Pennbury.

In conclusion, Mr Jackson assured the Commission that the Co-op/HCA were committed to work within the existing planning framework. If Pennbury were to be 'approved' the Co-op/HCA would not be seeking to 'fast-track' the process and would be seeking to have the proposal considered in the normal way through the Regional Plan Review and LDF processes.

The Chairman then invited Mr Roffey and officers on his review team to respond to the comments now made by the Co-op/HCA. The Commission was advised as follows:-

- The Regional Planning process had effectively ruled out Pennbury due to poor road links. The Roger Tym report suggested a possible small development but this was conditional on significant improvements to the transport infrastructure.
- Whilst it was acknowledged that under the plan-led process developers were asked to put forward sites for consideration the concern about the eco town process was that it did not follow normal democratic processes, did not allow for proper community involvement and did not allow for Pennbury to be assessed against other potential sites.
- The issue of housing need was still open to debate particularly due to the forecast level of economic activity and growth and significant downturn in housebuilding and there was merit in re-examining this issue. On this basis, the Panel were calling for a review of housing need.

The Chairman then opened the debate to members of the Committee.

In the ensuing discussion the following points were made:-

- The comprehensiveness of the report and the work put in by Panel members and officers was to be commended.
- The report would have benefited from an assessment of the impact on the whole of the surrounding area should the proposed development go ahead. In this regard members were advised that the Halcrow report had been commissioned to do this and, as such, the Panel considered it to be inappropriate for it to duplicate the effort.

- The proposed development would have a significant impact on the health resources required to service a population which would probably be in excess of 30,000. Given the increasing synergies between health and social care this was an issue of great concern;
- There would be merit, if possible, in advising the Cabinet, to obtain details of any recent housing needs surveys and details of housing waiting lists.
- Concerns remained that the eco-town and the Local Development Framework process were running in parallel and, as such, risked Harborough District Council being faced with an oversupply of potential sites which may result in more appropriate, brownfield sites not being developed due to costs. There was a very real concern that the inclusion of Pennbury in the final PPS would give it a status which substantially enhanced the chance of it happening.

The Chairman thanked Mr Roffey and his officers and Mr Jackson for their attendance and the comments made.

RESOLVED:-

That the report of the Review Panel together with the comments now made be forwarded to the Cabinet for their consideration.