REPORT TO: ENVIRONMENTAL AND AGENDA ITEM: 10

DEVELOPMENT SERVICES

DATE OF 8th OCTOBER 2009 CATEGORY: MEETING: DELEGATED

REPORT FROM: DIRECTOR OF COMMUNITY OPEN

SERVICES

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SUBJECT: East Midlands Regional Plan: Partial REF: IB

Review – Options Consultation

WARD(S) All TERMS OF

AFFECTED: REFERENCE: EDS17

1.0 Recommendations

1.1 That subject to any changes they may wish to make at Committee Members agree the text set out in paragraphs 5.2-5.4 (general principle); paragraphs 5.6-5.9 (housing distribution); paragraph 5.10 (affordable housing); paragraph 5.12 (transport), paragraphs 5.14-5.17 (energy generation); and paragraphs 5.19-5.20 (aggregates) as the Council's response to the East Midlands Regional Assembly.

2.0 Purpose of Report

2.1 To inform members of an "Options Consultation" for the partial review of the East Midlands Regional Plan and seek agreement of a response.

3.0 Executive Summary

3.1 The report provides a summary of the options put forward by the East Midlands Regional Assembly for a Partial Review – Options Consultation together with officer comment which it is proposed forms the basis of the Council's response together with any additional comments Members may add at the Committee meeting. A strong objection is urged to the principle of a partial review for the reasons set out in this report.

4.0 Detail

- 4.1 Members will know that the East Midlands Regional Spatial Strategy ("RSS" or "Regional Plan") was formally published by the Secretary of State on 12th March 2009.
- 4.2 The RSS sets out a broad, long term strategy for the Region and, amongst other policies, requires the development of 600 new dwellings per annum to be built in Page 1 of 6

- South Derbyshire between 2006-2026, with the majority as urban extensions to Derby City. The remainder is primarily required to be located around Swadlincote.
- 4.3 The Government has, however, asked the East Midlands Regional Assembly ("EMRA") to undertake an immediate partial review of the RSS focusing on housing, transport and climate change to take into account revised population and household projections. The "Partial Review" will guide development up to 2031. In response to earlier comments on the process, EMRA have indicated that in relation to new housing provision, the review will focus on the post 2021 period. The Assembly feels this will enable the longer term housing growth plans to take into account recovery from the current economic slump and minimise impacts on the preparation of Local Development Frameworks by local authorities.
- 4.4 Comments were required by 6th October 2009. A provisional response was therefore submitted by officers with agreement that this can be superseded by any resolution of this Committee.
- 4.5 A range of background documents support the consultation including region-wide studies of renewable energy, housing need and sustainability appraisal. The relevant material can be viewed on the Regional Assembly's website www.emra.gov.uk/what-we-do/housing-planning-transport/regional-spatial-strategy-rss/rss-partial-review-2008-2011
- 4.6 In terms of timetabling, EMRA intend to submit a draft revised Regional Plan to the Secretary of State in March 2010, which will trigger a further round of public consultation. The Examination in Public likely to commence in September 2010 with consultation on any proposed changes being undertaken in March 2011 and final publication in Autumn 2011.

5.0 The Options Consultation

- 5.1 The consultation presents a range of options and questions on a number of key issues including:
 - the location of future housing development in the Derby HMA for the period 2021-2031
 - affordable housing
 - emerging Regional Transport Objectives (2006 to 2031)
 - renewable energy generation (2006 to 2031)
 - an approach to the apportionment of aggregates (crushed rock and sand and gravel) extraction between county areas (2016 to 2021).

Officer Comment on the principle of a partial review

- 5.2 EMRA's decision to focus on the post 2021 period in relation to housing to minimise disruption to the preparation of LDFs is acknowledged. However, the fact remains that there is still considerable uncertainty around how quickly the housing market and the wider economy will recover and in any case the current RSS already sets out challenging levels of housing provision for the short to medium term in the Derby HMA.
- 5.3 The timing of this partial review will also still inevitably divert attention and resources away from LDF work particularly in terms of responding to consultations and preparing for the public examination. It will also unhelpfully introduce the potential for new uncertainties over the policy position of the policy position.

5.4 Whilst it is right to plan for long term housing needs, such a partial review at this stage is unhelpful. In this regard it is noted that the Yorkshire and Humber Region have chosen not to undertake such a partial review. For the reasons set out above EMRA is strongly urged to similarly make the case for the review of the East Midlands Regional Plan to be halted.

Housing Distribution Options

Where Should Housing Go?

- 5.5 The consultation sets out four main alternative options for where development after 2021 might occur. It should be noted however, that at this stage, the consultation does not consider or propose any specific housing figures. The four main options are summarised below with graphical representations set out in Appendix A to this report.
 - **Option 1** Continue current strategy of focusing development in and around the Principal Urban Area ("PUA") of Derby and the sub-regional centre of Swadlincote and the Amber Valley towns. This would mean further urban extensions into the District on the edge of Derby and further urban extensions to Swadlincote.
 - **Option 2** Focus major development in and around Swadlincote with complementary development in one or more of the Amber Valley towns and regeneration of Derby. This option appears to involve major extensions to Swadlincote linked to Burton upon Trent via a potentially continuous corridor of development.
 - **Option 3** Focus development at public transport nodes concentrating on the PUA of Derby and Swadlincote but also in other settlements with a more dispersed pattern of development. (As with Option 2, this option also appears to involve a potentially continuous corridor of development linking Swadlincote to Burton upon Trent).
 - **Option 4** Concentrate the majority of development into a large settlement somewhere in the Derby HMA.

Officer Comments

- 5.6 Whilst the options seem to offer a broad range to consider, it is in practice very difficult to comment at this stage on any of them in the absence of an understanding of the actual level of additional housing needing to be provided beyond 2021. A further key area of uncertainty is the capacity of Swadlincote, Derby, the Amber Valley towns and the rural areas to accommodate further development in terms of environmental and infrastructure constraints.
- 5.7 Currently, much background work is being undertaken across the HMA to inform the preparation of the LDF Core Strategies and ensuring they are properly evidence based and ultimately likely to be found "sound" by an Inspector. A range of studies are therefore being undertaken into diverse areas such as water supply and disposal, transport modelling, flood risk, renewable energy potential, housing land availability, employment land availability, landscape and green infrastructure.
- 5.8 It is only possible to make sensible decisions about the location of future housing beyond 2021 on the basis of a clear understanding of the full range of these issues. The District Council is not therefore in a position to express a definitive preference for any of the four options.

 Page 3 of 6

5.9 On a matter of detail, it is noted that options 2 and 3 appear to involve a continuous corridor of development linking Swadlincote to Burton across the designated Green Belt, rather than around it. This is presumably a graphical error, but for the avoidance of doubt, irrespective of any consideration of the merits of these options, no development option should be considered which would involve unnecessary Green Belt land releases.

How should the level of affordable housing be determined?

The consultation identifies three options for determining levels of affordable housing as follows.

Option 1 – Extend the Current Approach - commission updated indicative targets for 2021 - 2031.

Option 2 - Apply a Needs Based Approach for 2021-2031 - from 2021 -31 apply a needs based model to set targets such as a requirement of affordable housing per 1,000 households.

Option 3 – Evidence Based Approach – Revise policy to enable local planning authorities to develop shorter-term targets in line with the conclusions of the most up to date Housing Market Area Assessments, other relevant economic assessments, and viability studies for their area.

All three options would retain the current indicative targets for 2006-2021 from the adopted Regional Plan for monitoring purposes.

Officer Comments

5.10 The more strategic and higher order the study the more likely it is to mask local issues and variations. Local Authorities are already charged with undertaking local housing needs assessments to inform their Housing Strategies and LDF. Option 3 would enable realistic local targets to be set that meet the needs of the Derby Housing Market Area.

Delivering a Sustainable Transport System

5.11 No options are provided but instead a series of travel outcome priorities are set out as regional goals - Less (unsustainable) Travel, Effective & Efficient Travel and Energy Efficient Travel which in order to be met indicates 11 key regional challenges (set out in Appendix B to this report.) will have to be met. The outcomes will then be applied to the particular circumstances of each HMA and priorities set for further research in order to provide a clear strategic basis for developing transport solutions over the longer term that address real problems in the region.

Officer Comment

5.12 Whilst reference is made to the Regional Transport Strategy no reference is made at this point in time to Local Transport Plans ("LTPs") such as that for Derbyshire which is currently being reviewed. Recent consultation on the Derbyshire LTP raised similar transport issues and the Council's response is therefore also being submitted for consideration in relation to the RSS consultation [see Appendix C].

Sub-Regional Priorities for Renewable and Low Carbon Energy Generation

5.13 It is intended to set out regional renewable and low carbon energy targets, along with a carbon reduction target for each HMA and guidance on the most appropriate mix of technologies. The consultation seeks views on what the most appropriate mix of renewable and local carbon energy generation should be for the region as a whole, what the most appropriate strategy for carbon emissions reductions for each HMA should be and how heat from electricity generation can be used to meet local heating requirements.

Officer Comment

- 5.14 In respect of renewable and low carbon energy mix it should be noted that the Authorities located in the Derby HMA together with Erewash Borough Council have commissioned consultants to identify local renewable energy potential. Clearly this information could help inform the targets to be included in the emerging Regional Plan as these may be more detailed than those prepared to inform the Regional Plan partial review options consultation (by Faber Maunsell).
- 5.15 In terms of the most appropriate strategy for delivering carbon reductions, it is essential that existing homes and factories contribute towards carbon reductions given that these will continue to be the main users of energy, even if ambitious growth targets are met. As such whilst it may be appropriate to consider this issue through the implementation of other strategies, the emerging plan should explain how it will join-up and influence the policies to be bought forward within these other strategies.
- 5.16 In terms of measures that could help drive up energy efficiency, there is significant merit in promoting the use of waste hot water from existing or proposed carbon based energy generators. Within South Derbyshire there is already a 1.2MW Combined Cycle Gas Turbine power station consented (but not yet constructed) at Drakelow and the site owners are now seeking to double the capacity of this facility. Similarly it is likely that a further proposal for 2MW power station at the site of the former Willington Power station may be forthcoming in the near future.
- 5.17 These proposals offer significant potential to provide heat to local communities and industrial customers whilst benefiting electricity producers and the environment. As such it is important that the emerging regional plan promotes the creation of Heat Networks across the region where such schemes are feasible.

Aggregates Apportionment

5.18 A series of questions are asked to establish whether minerals planning authorities should 'roll forward' the current apportionment from 2016 to 2021, a progressive reduction in aggregates and other land won minerals from the Peak District National Park and Lincolnshire Wolds Area of Outstanding Natural Beauty and whether levels of past production continue to be the primary basis for determining provision outside of those protected areas.

Officer Comment

- 5.19 It is considered that simply rolling forward current regional aggregate apportionments from the period 2001-2016 does not represent the most appropriate mechanism for assuming future aggregates requirements from 2016-21.
- 5.20 Revised apportionments are likely to be issued ahead of the draft revised regional plan being published and it would be beneficial if these could be set out in the Plan. This would give Minerals Planning Authorities (MPAs in our case Derbyshire County Council) greater certainty over actual aggregate need and would remove the requirement (in the short to medium term at least) for MPAs to plan based on assumed need which is itself based on historic trends.

6.0 Financial Implications

6.1 None arising directly form this report.

7.0 Corporate Implications

7.1 The scale and distribution of new housing and other development and associated issues over the next 20 years is of corporate significance to this Authority and will have implications for all Departments of the Authority and all themes in the Corporate Strategy.

8.0 Community Implications

8.1 The amount and location of future housing will have implications for the long term sustainability of the District particularly in relation to access to decent affordable accommodation, employment, transport and other essential community services and infrastructure provision. Similarly, there is a need to safeguard the environment and maintain a high quality of life for existing and future residents of the District.

9.0 Background Papers

East Midlands Regional Plan: Partial Review – Options Consultation, June 2009