

# REPORT TO CABINET

REPORT OF: HEAD OF PLANNING POLICY AND ECONOMIC DEVELOPMENT

REPORT NO. PLA 542

DATE: 5<sup>TH</sup> December 2005

<b>TITLE:</b>	REVIEW OF THE EAST MIDLANDS REGIONAL PLAN TO 2026: OPTIONS FOR CHANGE
<b>FORWARD PLAN ITEM:</b>	No
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Key Decision

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	CLLR SMITH – ECONOMIC PORTFOLIO
<b>CORPORATE PRIORITY:</b>	TOWN CENTRES (A), PLANNING AND CONSERVATION (B) AND AFFORDABLE HOUSING (B)
<b>CRIME AND DISORDER IMPLICATIONS:</b>	MINOR
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	DOCUMENTS ARE AVAILABLE ON THE COUNCILS WEBSITE <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>
<b>BACKGROUND PAPERS:</b>	Regional spatial strategy (RSS8) March 2005 (ODPM) A Review of the East Midlands Regional Plan to 2026 (EMRA) – Options for Change Report to Cabinet (report no. PLA503) 6 <sup>th</sup> June 2005 on RSS Review Issues Consultation

## 1. INTRODUCTION OR SUMMARY

1.1 The East Midlands Regional Assembly (EMRA) has issued for public consultation a document entitled Options for Change as part of the review of the Regional Spatial Strategy. The District Council has been invited to comment upon the options. Responses should be returned to the Regional Assembly by 16<sup>th</sup> January 2005. This report summarises the issues upon which we are being consulted and recommends further action. As with previous consultation on the Issues which took place during the summer of this year it is anticipated that a “joint” Lincolnshire response will also be presented to EMRA via the Lincolnshire assembly.

1.2 This consultation document identifies three issues for consultation:

- changes to the Sub-Area Boundaries: the proposal is to amend the boundaries so that District Council areas, Housing Market Areas and sub-areas sit within each other.
- policies to guide future development form: the proposal asks whether the sequential approach and the sustainability criteria in Policies 2 and 3 of the current Regional Plan (RSS8) can be improved.
- the scale and distribution of new housing: three levels of development and three methods of housing distribution give rise to nine options for consultation. Indicative housing figures are provided for each district for each option.

1.3 Cabinet members will be provided with a full copy of the Options for Change. Copies are also available in Planning Reception and to download on the EMRA website using this link [East Midlands Regional Plan](#)

## 2 RECOMMENDATION

**2.1 That this Council agrees with the proposed amendment to the Eastern Sub-Area.**

**2.2 That this Council agrees that Policies 2 and 3 of the current RSS8 encompass the key principles of sustainability and should be retained.**

**2.3 That this Council prefers Option 2A for housing development (that is to follow trend based projections for both the level and distribution of housing in this district).**

## 3 DETAILS OF THE REPORT AND OFFICER COMMENT

3.1 **Sub-Area Boundaries:**

- Lincolnshire is located in the Eastern Sub-Area of the current regional spatial strategy, which comprises Lincolnshire, Rutland and the eastern parts of Nottinghamshire and Leicestershire.

- The proposal is to amend the boundaries on the basis of Housing Market Areas (HMAs). It is also proposed that District Council areas, HMAs and the sub-areas will all sit within each other.
- The proposed new Eastern Sub-Area boundary has been moved slightly eastwards so that it will comprise all the districts of Lincolnshire, as well as Rutland.
- The document recognises that some district council areas are influenced by more than one HMA and also by adjacent regions and major urban centres. It states that these influences will be reflected in Regional Plan policies, as they are developed.

### 3.2 Officer Comment:

- It would seem more logical to follow the administrative boundaries of the district councils comprising the East Midlands region.
- Recognition that some districts, such as SKDC, are influenced by cross-boundary issues, such as location of employment and housing, is welcomed. The apparent intention of the Regional Plan to reflect these issues in policy development is also welcomed.
- Housing Market Areas are a relatively new concept which relate to the patterns of household movements. They are defined as the geographical areas which contain both the origin and destination of the great majority of households who move home. There are implications for SKDC, as we are placed in a Peterborough HMA, along with Rutland and South Holland. Work has already begun with these authorities to achieve greater consensus. It is expected that work on a joint Housing Market Assessment will begin next year.

### 3.3 **Development Form policies:**

- The current Regional Plan addresses the issues of sustainable development, and making more efficient use of land, resources and infrastructure by the use of two core policies: Locational priorities for Development (the sequential approach) and sustainability Criteria. (Policies 2 and 3 of RSS8).
- Options for Change does not propose that these policies be revised. The question posed for consultation is whether they can be improved.

### 3.4 Officer Comment:

- No change is required to Policies 2 and 3 of the current Regional Plan (RSS8), as they encompass the Government's key principles, set out in PPS1: Delivering Sustainable Development, which underpin all development.

### 3.5 **The Scale and Distribution of New Housing:**

As far as this Council is concerned, the key issue is the housing figures. The consultation presents the options for new housing provision for each of the Sub-Areas within the East Midlands region, and breaks this down for each district within the HMA and Sub-Area.

3.5 The amount of development is considered under three headings:

- 1 Limiting Growth: based on ODPM trend projections less 20%. This is virtually identical to that envisaged in RSS8 of around 10,960 dwellings for the region per year.
- 2 Trend Based Growth: based on ODPM trend projections. This is higher than the current RSS8 at around 13,700 dwellings per year.
- 3 Going for Growth: based on ODPM trend projections plus 20%. This is considerably higher than RSS8 at around 16,440 dwellings per year.

3.6 The location of new housing development is considered under three headings:

- A Trend Based: distribution of houses is based on ODPM trend projections. This envisages lower growth in many larger urban areas and growth in many rural areas and small and medium sized towns.
- B Urban Concentration plus Regeneration: based on policies in both RSS8 and recent Structure Plans. This envisages growth in the main urban centres (eg Lincoln), Sub-Regional Centres (eg Grantham) and some regeneration areas, but limits growth elsewhere.
- C Strong Urban Concentration: based on B above, but with higher levels in Derby, Leicester, Lincoln and Nottingham, and with reductions in surrounding areas. This gives very low development rates in rural areas.

3.7 These three levels of development and three ways of distribution give rise to nine options for consultation.

Indicative figures for each of the options are shown in the table below:

Housing Provision Option Table: Peterborough (Partial) Housing Market Area

Area	Current Provision (pa) <sup>1</sup>	Current Build Rate <sup>2</sup>	ODPM Trend (pa) <sup>3</sup>	1A	1B	1C	2A	2B	2C	3A	3B	3C
whole HMA	958	1341	1360	1090	960	810	1360	1200	1010	1630	1440	1210
Rutland	118	158	140	110	120	100	140	150	120	170	180	150
South Holland	380	606	590	470	380	320	590	480	400	710	570	480
<b>SKDC</b>	<b>460</b>	<b>577</b>	<b>630</b>	<b>510</b>	<b>460</b>	<b>390</b>	<b>630</b>	<b>570</b>	<b>490</b>	<b>750</b>	<b>690</b>	<b>580</b>

<sup>1</sup> From the latest version of the relevant Structure Plan

<sup>2</sup> Average Annual Build Rate for the period 1999-2004

<sup>3</sup> 2002 ODPM Interim Household Projections (unadjusted) 2003 Population Projections

3.8 Officer Comment:

The likely implications for SKDC for each option are:

- Option 1A Below Trend Growth with Trend Based Distribution:**  
lower than both trend and current build rate. This option is likely to exacerbate affordability problems, especially in areas of high demand.
- Option 1B Below Trend Growth with Urban Concentration plus Regeneration:**  
reflects current Structure Plan provision, and concentrates development in Lincoln to boost the city's regional role. It is, however, below our current build-rate and is likely to exacerbate affordability problems, rural affordable housing and market town viability.
- Option 1C Below Trend Growth with Strong Urban Concentration:**  
much lower rate than either trend or current build. The concentration of development in Lincoln is likely to exacerbate affordability problems and the supply of rural affordable housing. This option could also threaten the sub-regional role of Grantham.
- Option 2A Trend Growth with Trend Based Distribution:**  
higher than both current policy and annual build-rate, but close to trend. Emra suggest that this option might undermine both attempts to boost the regional role of Lincoln and also the growth of Peterborough. However, it is possible that this option could help to address affordability problems in rural areas where there is a high demand, although this could lead to unsustainable patterns of development. This option could also result in the provision of increased levels of affordable homes.
- Option 2B Trend Growth with Urban Concentration plus Regeneration:**  
lower than structure plan provision and slightly below current build. This option could exacerbate affordability problems in rural areas with high demand. Although Emra suggest that the overall figure for Lincolnshire is similar to historic build rates, much of this development would be concentrated in Lincoln.
- Option 2C Trend Growth with Strong Urban Concentration:**  
this option concentrates development on Lincoln and gives much lower figures than current build or trend to SKDC. This option could exacerbate affordability problems in rural areas with high demand.
- Option 3A Above Trend Growth with Trend Based Distribution:**  
this option gives higher figures than either current provision or build. Emra suggest this policy could result in high levels of greenfield development and unsustainable patterns of

development in rural areas, as well as risking undermining of the growth of Peterborough. This option could also result in the provision of increased levels of affordable homes.

**Option 3B Above Trend Growth with Urban Concentration plus Regeneration:**  
higher levels than current build but closer to predicted trend. Emra suggest this policy may result in high levels of greenfield development and unsustainable patterns of development in rural areas without a strong locational framework.

**Option 3C Above Trend Growth with Strong Urban Concentration:**  
close to current build rates, but below predicted trend. Emra suggest that this may result in high levels of greenfield development.

### 3.9 The preferred option for housing development:

- It is felt that the best interests of the district would be served by the adoption of a trend-based option. It is felt that SKDC should continue to have a supply of new housing to meet the demand, but without the need to identify large areas of greenfield land. People make decisions on where to live based on different factors such employment, type of housing available and quality of life. The district is seen as having good road and rail access, especially in the west and south, and a high standard of living, it is therefore a popular choice for homebuyers. When the supply of housing is restricted it has a consequence on the cost, which affects affordability in the district. Affordability is a particular concern within the district, if the supply of new housing is continually restricted this problem will be exacerbated.
- Grantham is being promoted as a sub-regional centre, but without growth it will never achieve that status. There are also a large number of sustainable villages in the district, and these need to be supported.
- Concentrating housing growth in Lincoln could be problematic. There are issues relating to the deliverability of high levels of growth, and it is questionable whether the proposed levels of growth can be delivered within the city without the use of large areas of greenfield land.
- Consequently, it is felt that we should support a trend-based option. It is also felt that we should at least meet our current build-rate. Taking all the above factors into consideration, it is felt that preference should be given to supporting Option 2A, with Option 2B as a substitute position.

## 4 CONTACT OFFICER

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