3<sup>rd</sup> November 2009 10<sup>th</sup> November 2009 19<sup>th</sup> November 2009

# THE REGIONAL SPATIAL STRATEGY REVIEW – THE EAST OF ENGLAND PLAN 2031 - RESPONSE TO THE EERA OPTIONS CONSULTATION

(Report by Head of Planning Services)

### 1. INTRODUCTION

1.1 This report is to inform the Cabinet about the current EERA consultation in respect of the on-going review of the Regional Spatial Strategy and for the Cabinet to consider the potential implications of those scenario's, for the future of Huntingdonshire, and thereby to determine the Council's response to this consultation.

#### 2. BACKGROUND

- 2.1 The current Regional Spatial Strategy, the East of England Plan, was issued in May 2008. It sets out the growth targets for the period up to 2021 based around a 10% increase in population and a 20% increase in both households and jobs with some 26,000 new homes being built in the region every year. The current Plan requires Huntingdonshire to deliver a minimum of 11,200 new dwellings, associated employment and other development by 2021.
- 2.2 Because of the statutory requirement for the Council to plan for the delivery of a 15 year housing land supply HDC's newly adopted Core Strategy extends that planning period up to 2026. The Core Strategy proposes that Huntingdonshire will deliver a minimum of 14,000 new dwellings (a figure which is made up of the committed 11,200 homes + an applied annual growth rate) and associated employment and other related development during that period.
- 2.3 The Government now requires EERA to review the East of England Plan in order to extend the plan period until 2031 and for it to potentially plan to accommodate further substantial amounts of residential and employment growth within the region. In accordance with the Governments requirements EERA has now begun that 'early review' with the whole process being proposed to be completed, in what is acknowledged to be a very short and challenging timescale, by 2011.
- 2.4 After considering the basis of the 'advice' submitted by the strategic planning authorities, which in the Cambridgeshire case was based upon the conclusions of the 'Cambridgeshire Development Study', from across the whole region EERA has now published a consultation which outlines four 'growth scenario's' upon which EERA are seeking responses. This formal consultation period concludes on the 24<sup>th</sup> November 2009 and EERA state that they will then 'look closely at all the responses to the consultation before publishing, in March 2010, a detailed plan for how many homes are needed up to 2031'. It will be that 'plan' which will then be subject to independent examination and then potentially subsequently

adopted, should the current Development Plan regime remain in place, as the revised Regional Spatial Strategy.

# 3. THE REVIEW OF THE REGIONAL SPATIAL STRATEGY - EERA'S CONSULTATION OPTIONS

- 3.1 The Government considers that, although the current Regional Plan was only published in May 2008, this immediate review is 'required' in order to meet the region's further development needs for the period 2011 to 2031. Despite acknowledging the current changes that are taking place with regard to the role, and form, of regional governance the Government has asked EERA to continue with this review because of the urgent need for a long-term Regional Spatial Strategy for the East of England.
- 3.2 The argument is that further growth is required within the region because the Government predicts that the population of the East of England will have increased from 5.4 million in 2001 to nearly 7 million in 2031 because of natural increases plus migration into the region from elsewhere in the UK and from abroad. The Government also expects the region to remain economically buoyant with research and development and environmental businesses leading the way out of recession and also helping to meet the employment needs of London's key businesses.
- 3.3 EERA has accordingly consulted on the basis of four possible growth scenarios for the region for the period up to 2031;

## Scenario 1: Roll Forward of Existing Plan

3.4 This scenario 'rolls forward' the housing growth rates established by the current Regional Plan for another 10 years. This would be the highest level of growth that most Council's within the region considered could be accommodated. For Cambridgeshire this would require some 3,610 dwellings a year to continue to be built, or 76,160 for the period 2011-2031, with most growth continuing to be provided in the south of the county in accordance with the currently adopted spatial strategy for the Cambridge sub-region. For Huntingdonshire this scenario would require us to continue to deliver about 550 homes a year in order to meet a 20 year target of 11,080 inline with the spatial vision as set out in the adopted Core Strategy. EERA considers that this scenario would deliver the lowest amount of new housing, thus having the least impact upon affordability, and that it would fail to fully capture economic benefits although it could help to reduce carbon emissions from travel if adequate alternatives to the car are available.

### Scenario 2: National Housing Advice and Regional New Settlements

3.5 This scenario seeks to test the advice given to the Government by the National Housing and Planning Unit (NHPAU) that some 30,000 to 40,000 homes would need to be built annually within the region in order to stabilise long-term rises in house prices. For Cambridgeshire this would require some 4,560 dwellings a year to be built, or 91,160 for the period 2011-2031, with most growth continuing to be provided in Huntingdonshire and around Cambridge. For Huntingdonshire this scenario would require building about 1,200 homes a year in order to meet a 20 year target of 24,080 (26% of the county total) predicated on the principle of the development of a new "regional scale" settlement (of ultimately up to 20,000 new dwellings) in Huntingdonshire. EERA

acknowledges that this scenario could draw resources and investment away from existing locations and increase traffic particularly during the early development of a new settlement.

### Scenario 3: National Housing Advice and Regional Economic Forecasts

3.6 This scenario is based upon the premise that extra housing growth should be allocated to areas where there is forecast to be a demand for extra workers. For Cambridgeshire this would require some 4,560 dwellings a year to be built, or 91,160 for the period 2011-2031, with the most growth to be provided in Cambridge, East Cambs and Huntingdonshire. For Huntingdonshire this scenario would require the delivery of 900 homes a year in order to meet a 20 year target of 17,960. EERA considers that this scenario would be most likely to support economic growth but that by focussing upon areas of existing economic success would not support economic diversification.

## **Scenario 4: National Household Projections**

3.7 This scenario takes both the scale and distribution of proposed growth from Government projections of new households. For Cambridgeshire this would require some 4,350 dwellings a year to be built, or 87,000 for the period 2011-2031, with rather perversely less housing needing to be provided in Cambridge and South Cambridgeshire but with the majority (some 63%) being allocated to East Cambridgeshire, Fenland and Huntingdonshire. For Huntingdonshire this scenario would require 1,200 homes a year to be built in order to meet a 20 year target of 24,000. EERA considers that this scenario would be most likely to tackle local housing issues and potentially bring about regeneration in more remote areas although it is acknowledged that the proposed geographic spread would lead to greater travel by car and potentially swamp the character of the market towns.

### 4. THE SUGGESTED HUNTINGDONSHIRE RESPONSE

4.1 Having regard to the potential implications of these potential 'growth options' for Huntingdonshire the Council commissioned its own specialist studies, with regard to the Scenarios, the New Regional Scale Settlement and the Cambridgeshire Development Study, in order to appropriately inform our responses to this consultation. EERA has asked all respondents to give their views in respect of eight specifically set questions and the following paragraphs outline the suggested HDC response to each of these in turn.

#### The Growth Scenarios

# Question 1 – Do you think we've chosen the right growth scenarios to consider? If not, what other scenario(s) should we consider and why?

4.2 The Cambridgeshire Authorities, in their advice to EERA, have indicated that in their view the most appropriate and realistic level of growth for the plan period, related to the foreseeable prospects for the economy and for delivery, would be for Cambridgeshire to have to accommodate a total of 75,000 new homes by 2031. Because of the acknowledged continued importance of Cambridgeshire to the national economy, and the related regional and sub-regional growth pressures, it is considered that it would be unrealistic to consider a lesser growth option. On that basis it is

suggested that we inform EERA that this Council considers that Scenario 1 is the only appropriate option for viable consideration at this time.

### Question 2 – Do you have any comments on the four growth scenarios?

- 4.3 As stated above it would appear that scenario 1 is the only one that has made a realistic assessment of the capacity and ability of Cambridgeshire, and Huntingdonshire, to accommodate, within known environmental and other limitations, additional levels of growth. Scenarios 2, 3 and 4 all seek to direct considerably larger amounts of housing growth to Cambridgeshire, and to Huntingdonshire, without either robust economic or environmental justification or assured associated delivery plans.
- 4.4 With regard to scenario 2 it is clearly highly questionable as to whether a new regional scale settlement could be appropriately accommodated, having regard to the need to deliver sustainable growth, within Huntingdonshire. Significantly the Arup 'Regional Scale Settlement' study (commissioned by EERA) concluded that the development of 'a large new settlement' may not be most appropriate way in which to deliver long-term growth across the area and that a location at Huntingdon/Alconbury would potentially undermine the growth and development of Peterborough and the on-going regeneration of our market towns. Our own specialist studies also conclude, that even the 'wider North Huntingdon/Alconbury area, has a practical capacity to accommodate an amount of development that is way below the required levels. The rationale for the identification of Huntingdon/Alconbury as one of the three most appropriate locations, for such a form and scale of development within the East of England, therefore must be considered to be fundamentally and fatally flawed. Scenario 2 is therefore totally unacceptable.
- 4.5 Scenario's 3 and 4 would also direct significantly large amounts of potential growth into Huntingdonshire based on rather simplistic assumptions about the continued pattern and scale of economic growth, and the continuation of previous household projections, fuelling the need for large scale housing growth. The Cambridgeshire Development Study outlines that the focus for economic growth will remain centred on Cambridge and the south of the county, and as the key objective of the agreed Cambridgeshire strategy remains to locate homes in and close to Cambridge and other main centres of employment, it would be illogical and completely unsustainable to try and justify massive scales of new housing growth in areas, that without considerable interventions, will not deliver the necessary related new employment growth. Scenarios 3 and 4 propose that Huntingdonshire would be required to accommodate massive amounts of new housing growth without any clear justification and these must therefore also be considered to be unacceptable.

### Question 3 – What is your preferred growth option and why?

4.6 As stated above it would appear that scenario 1 is the only one that has made a realistic assessment of the capacity and ability of Cambridgeshire, and Huntingdonshire, to accommodate, within known environmental and other limitations, additional levels of further growth. Therefore the preferred growth option must be Scenario 1.

# Question 4 – Do you agree we have covered all the regional impacts of the four scenarios that have been identified? If not, what else should we have addressed?

4.7 It is considered that the regional overview of the impact of the scenarios, as set out in the consultation document, have necessarily had to be done at such a strategic level, that the brief commentaries can only be given limited weight. Fundamentally, whilst accepting that the elements outlined in the consultation assessment are all relevant, the inherent weakness must be that they have not been drawn together in order for consultees to be able to assess their impact upon overall sustainability; both at a regional and more local levels.

## A Focused Review of the Plan

# Question 5 – Do you agree that the vision and objectives of the current Plan remain suitable for the revised Plan. If not, what changes would you make and why?

4.8 It is considered that, at this point in time, the vision and objectives remain suitable since no evidence has been brought forward to suggest that a deviation from them is necessary, especially if the RSS review follows the Cambridgeshire authorities' advice to confirm Scenario 1 as the preferred strategy.

# Question 6 – Do you have any evidence to suggest that policies other than those identified need to be updated or created?

4.9 Dependent upon what growth scenarios may be pursued there could be the need for the Cambridge Sub-Region policies to be fully reassessed. However if EERA chooses to support the agreed Cambridgeshire approach then a more limited review may only be required.

### **Supporting Information**

# Supplementary Question 7 – Do you have any comments on the sub-area profiles?

4.10 It is imperative that the sub-area profile for Cambridgeshire takes appropriate account of the established and emerging economic situation/conditions within the area, as most recently set out in the submitted Cambridgeshire Development Study, in order to establish clear rationales for the proposed location of sustainable new development.

# Supplementary Question 8 – Do you have any comments on the Integrated Sustainability Appraisal. Is there any further information that should be taken into account?

4.11 It is imperative that the Integrated Sustainability Assessment includes, and makes appropriate assessments, of the potential impacts of the proposed/potential large scale new settlements. The process will be flawed unless these potential developments are properly assessed.

#### 5. CONCLUSIONS

### 5.1 In conclusion it is contended that;

- i. The applicable evidence base, including the Cambridgeshire Development Study, indicates that, having regard to the relevant economic, environmental and other considerations, the only viable option, and scale of potential future growth, that could be supported, even though that in itself would still be extremely challenging to deliver, would be that set out in Scenario 1.
- ii. Scenarios 2, 3 and 4 all promote significant scales of further growth, and development levels, which are considered to be beyond the environmental capacity of Huntingdonshire (to be able to accommodate it in a sustainable way).
- iii. A new Regional Scale New Settlement, of up to 20,000 new homes, to be potentially located to the North of Huntingdon/at Alconbury cannot be justified as it would; undermine the existing settlement strategy and hierarchy, detrimentally impact upon the viability and sustainability of other settlements, undermine economic and other regeneration efforts, be beyond the absolute carrying capacity of the area, and therefore be fundamentally unsustainable.

### 6. RECOMMENDATIONS

- 6.1 Therefore it is recommended that Cabinet:
  - a. Endorses the proposed responses to EERA's set questions as outlined above; and that HDC formally responds to EERA on that basis; and that HDC continues to work with all of the other Cambridgeshire Authorities' in order that, as far as possible, an appropriately co-ordinated joint response on behalf of 'Cambridgeshire' can also be submitted to EERA.
  - b. Empowers the Executive Member for Planning Strategy to continue to liaise with the other Cambridgeshire Authorities'; to agree any alterations to HDC's position which may become necessary should new circumstances arise, and to submit any appropriately amended responses to EERA before the response deadline.

## **Background Papers:**

Joint Cambridgeshire Regional Spatial Strategy Review Panel – Applicable RSS Review Papers

The Cambridgeshire Development Study and Related Cabinet Report – April 2009

EERA – Regional Scale Settlement Study – Final Report – and Related Cabinet Briefing Note - January 2009

EERA - Options Consultation - September 2009

EERA - Sub-Area Profile for Cambridgeshire

HDC – AECOM Specialist Studies – East of England Plan >2031 – Scenarios for Housing and Economic Growth; Cambridgeshire Development Study: New Regional Scale New Settlement - October 2009

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