

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
EXECUTIVE COMMITTEE**

Date: 13 June 2008

Subject: **Eco-Towns**

Report of: Director of Development

Recommendations:

It is recommended that the Regional Assembly respond to the consultation on potential eco-towns as follows:

1. The Regional Assembly supports environmentally sensitive and sustainable development principles. However the eco-town concept does little to add value to existing requirements of the statutory planning framework which increasingly require such measures to be incorporated into all developments.
2. Contrary to the assurances given by Ministers, it is clear that the principle of eco-towns is being taken forward outside of the planning system. The Regional Assembly is particularly concerned that the eco-towns Planning Policy Statement could effectively supersede and override local and regional plan-making to date.
3. The principle of specific eco-town proposals should be the subject of independent testing as part of the statutory planning system.
4. The approach to Sustainability Appraisal appears flawed and unlikely to provide a truly independent assessment of the merits of the eco-towns policy or specific proposals.
5. There is an urgent need for Government to clarify whether the growth associated with an eco-town proposal will be included in, or additional to, the overall housing provision figures in the South East Plan.
6. The deliverability of some of the infrastructure associated with specific eco-town proposals is highly questionable, both in terms of timescale and affordability. We believe that there is a very real danger that resources will be diverted from existing priorities (including Growth Areas) rather than added to. In addition, the failure to develop the commendable reference to requiring biodiversity and landscape enhancement as part of the key criteria puts at risk existing environmental assets at the proposed eco-town sites.

7. In terms of the specific proposals identified in the region:
- a) Bordon-Whitehill has the potential to offer a good fit with the spatial strategy, reflecting the South East Plan EiP Panel recommendation that there should not be an impediment to an increase in housing at this location (above the 2,500 dwellings they recommend) as long as this is shown to be sustainable.
 - b) Ford is likely to be inconsistent with the spatial strategy and would probably undermine the ability to deliver agreed spatial and economic priorities in the sub regional area.
 - c) Weston Otmoor is likely to be inconsistent with the spatial strategy and would probably undermine the ability to deliver agreed spatial and economic priorities in the sub regional area.

Purpose of the Report:

To advise members on the key issues arising from the consultation on the Government's proposal for eco-towns and to agree a response on behalf of the Regional Assembly reflecting the discussion of this issue by Regional Planning Committee on 21 May 2008 and its resulting recommendations.

Key Issues:

The Government is seeking views on the concept of eco-towns and the process for taking it forward. It is also seeking views on how features and innovative approaches can be developed. Preliminary views on the shortlist of 15 eco-town proposals currently being subject to further assessment are also invited.

The process has developed outside of the normal regional and local planning process, and so most of the proposals have not been previously tested in detail. A new Planning Policy Statement is being developed to provide the national policy framework within which eco-town applications will be considered. The PPS will be issued for consultation in July 2008 along with findings of the sustainability appraisal of the proposals. A final PPS and a final list of eco-towns proposals will be issued at the end of 2008.

There are three proposals in the South East at Weston Otmoor (Cherwell DC), Ford (Arun DC) and Bordon-Whitehill (East Hampshire DC). Only Bordon-Whitehill was considered in the development of the draft South East Plan (at the Examination in Public) and has the support of the local planning authority.

While supporting the high environmental standards being promoted in eco-town proposals, we have a range of concerns over the nature of the process and fit with the RSS and LDFs, the adequacy and deliverability of the infrastructure offer attached to each scheme, and the appraisal process.

1. Context

- 1.1 The consultation on potential eco-towns was launched on 3 April. A shortlist of 15 proposals in England was announced that will be subject to further assessment, and on which views are sought. These 15 were drawn from 57 submissions, many of which failed as they did not meet one or more criteria set out in the prospectus¹ issued in July 2007 alongside the Housing Green Paper, or were considered undeliverable or not ambitious enough.
- 1.2 The consultation extends until 30 June 2008. Views are sought on:
- The way the concept has been developed and the benefits eco-towns can offer.
 - How particular features or innovative approaches can be delivered.
 - The 15 proposals for eco-towns that are going forward for further assessment.
- 1.3 Three proposals in the South East are on the shortlist:
- Bordon-Whitehill (East Hampshire DC) - up to 5,500 homes.
 - Ford (Arun DC) 5,000 houses plus a 30ha 'economic hub'.
 - Weston Otmoor (Cherwell DC) 10-15,000 houses.
- 1.4 The Regional Planning Committee considered the issues associated with the eco-towns concept at its meeting on 21 May. This paper incorporates their views and recommendations.

2. Criteria and Process

- 2.1 An eco-towns Challenge Panel of 'experts' in planning, climate change, energy and transport has been established to work with developers on their proposals. A new Planning Policy Statement (PPS) on eco-towns has also been announced and will be issued for consultation in July along with a sustainability appraisal of the proposals (this will be the subject of a further report to this Committee in due course). The final list of eco-town proposals will be announced at the end of 2008 and published alongside the final PPS.
- 2.2 Any proposal will need a planning application to be considered by the local planning authority against development plan policies and other material considerations. However, the potential for proposals to be brought forward through New Towns legislation is not ruled out entirely. Of course, most development plans (local and regional) have not considered or provided for these proposals.
- 2.3 Government sees the new PPS providing the framework in which decisions will be taken (especially where development plan is out of date or 'silent' on the issue), and in which local development frameworks and review of Regional Spatial Strategies will be undertaken. The PPS could effectively supersede and override local and regional plan-making to date, for example

¹ <http://www.communities.gov.uk/documents/housing/doc/Eco-towns>

where a location has not previously been considered, or where it has been considered and rejected as part of LDF or RSS preparation and testing.

- 2.4 The consultation document refers to the Housing Green Paper identifying that housing numbers in some plans are not high enough and the need for partial reviews of RSSs to include numbers consistent with government aims for 240,000 new homes per annum by 2016. The housing proposed in eco-towns will count towards these 'more stretching' targets, and hence are very likely to be in addition to the allocations in the draft South East Plan (but not necessarily the proposed changes once they emerge from GOSE).
- 2.5 Government promises assistance to local planning authorities with an eco-town in bringing forward LDFs, to take account of the emerging PPS and evidence and assessments of specific schemes. It also promises assistance in delivery and assessment of schemes, and in working up legal agreements or in due course measures secured through the Community Infrastructure Levy, through a dedicated support team at CLG.
- 2.6 It has also invited local authorities with a short-listed eco-town bid in their area to consider submitting Expressions of Interest for the current round of Community Infrastructure Fund by 19 May. Any proposal would need to relate to a specific eco-town bid. It is not anticipated that there will be any proposal submitted for consideration at this time. Where there to be, there will be the opportunity for the Assembly to comment on any such proposal as part of our prioritisation exercise and provide advice by Friday 30 May.
- 2.7 Of course, some schemes that failed to make the initial shortlist may come forward as separate planning applications, or proposals to be considered in the first review of the South East Plan. Where this is the case we will need to treat them as we would all major applications and appraise them for consistency with the draft South East Plan.

3. The Eco-Towns Principle

- 3.1 The principles and criteria that have been identified for eco-towns - high standards of energy efficiency and use of low/zero carbon energy sources (zero carbon), water efficiency, sustainable transport, 30-50% affordable housing provision, high design standards and provision of services and employment - are all consistent with the policy framework set out in the draft South East Plan. In that respect they are principles and criteria that should increasingly be viewed as the norm, rather than the exception.
- 3.2 The criterion that proposals should be free-standing new settlements is however inconsistent with the spatial strategy set out in the draft South East Plan; a spatial strategy that has been the subject of extensive independent testing and found to be sound. The strategy of concentrating growth in and around existing settlements is based on an extensive evidence base and the outcome of a detailed sustainability appraisal of a range of options. It also takes into account the polycentric settlement pattern in the region.

- 3.3 What is perhaps more telling is that while the eco-town consultation document talks in terms of free standing sustainable communities its focus is almost exclusively on the issue of housing. Indeed the examples used to populate the consultation document are almost exclusively urban extensions of existing settlements.
- 3.4 There is very little consideration given as to how the employment opportunities critical to the success of the eco-town concept will be realised. In the absence of such considerations the reality is that current crop of eco-towns will become little more than dormitory settlements. Even the consultation document appears to acknowledge this reality by admitting that in the majority of cases an eco-town proposal will look to its neighbours for employment opportunities.

4. Preliminary View on Proposed Locations

- 4.1 The secretariat has not been party to the details of each bid, apart from an informal briefing with CLG officials in January 2008. The summaries in the consultation document of the benefits and challenges / constraints associated with each proposal are brief. They certainly do not form the basis on which a reasoned consideration of a specific proposal can be undertaken. It is particularly concerning that the Government will not publish the outcome of its work on Sustainability Appraisal until after the close of this consultation.
- 4.2 Bordon-Whitehill (East Hampshire District Council)
- 4.2.1 This proposal has the support of the local authority (East Hampshire District Council). Development at this location was considered at the South East Plan Examination in Public. The Panel recommended that the site could accommodate 2,500 houses but did not see an impediment to increasing this number if it could be demonstrated that it was sustainable.
- 4.2.2 Unlike the other two proposals in this region there has already been a substantive debate about the merits of development in this location. This enables one to conclude that, in principle, the proposal has the potential to offer a good fit with the spatial planning framework.
- 4.3 Ford (Arun District Council)
- 4.3.1 This proposal is not supported by the local authority. Following the Examination in Public the Panel recommended that the allocation for Arun District Council should be increased by 2,000 houses, with particular reference made to a location to the west of the River Arun considered previously as part of the previous West Sussex Structure Plan.
- 4.3.2 The priority for the sub-regional strategy for the Sussex Coast (in common with the priorities for the coastal area of the Regional Economic Strategy) is the regeneration of the existing settlements. Notwithstanding the recommendation of the Panel the initial view is that this proposal is inconsistent with the spatial

strategy. Indeed there is a strong likelihood that the proposal would undermine our ability to deliver the agreed spatial and economic priorities.

4.4 Weston Otmoor (Cherwell District Council)

4.4.1 This proposal, partly within the Green Belt, is not supported by the local authority. The Panel did not recommend any increase in the allocation for Cherwell District Council following the Examination in Public.

4.4.2 The priorities for the Central Oxfordshire sub regional strategy include supporting the continued development of Bicester. The scale of the proposal and its proximity to Bicester is therefore likely to be inconsistent with the spatial strategy. Once again, there is a strong likelihood that the proposal would undermine our ability to deliver one of the agreed spatial and economic priorities for the sub-region. CLG has committed funds to examine the social and economic implications of the proposal on adjoining settlements.

5. Sustainability Appraisal

5.1 Our concerns about the absence of any meaningful Sustainability Appraisal have already been touched on. While the Government has indicated that it will publish the results of its own work later this summer it is far from clear whether the rigour of that work will meet the requirements necessary to enable a reasoned and considered view to be taken on the merits of specific eco-town proposals.

5.2 The Government has stated that once the principle of an eco-town has been accepted as part of the process currently in hand then the scope of the debate as part of any subsequent review of the South East Plan will be to consider the overall scale of future development. The inescapable conclusion is that, contrary to assurances given by Ministers, the principle of eco-towns will not be the subject of testing through the normal planning framework. A decision in principle will be taken by Government without that decision being tested in a manner consistent with the draft South East Plan.

5.3 On a more practical point it is difficult, if not inconceivable, that the appraisal work commissioned by Government (including where appropriate assessments in accordance with the requirements of the Habitats Regulations) can be completed to a satisfactory level within the timeframe set by Government. In particular, it is unclear how alternative options for development (a requirement of both the Sustainability Appraisal and Strategic Environmental Assessment procedures) can be incorporated satisfactorily.

5.4 In terms of overall environmental impact, the consultation document commits Government to ensuring that in order for an eco-town proposal to go forward it must result in a net gain, particularly with regard to landscape, biodiversity and green space. This is a challenging ambition, one which we support. However the assessment process must be objective and demonstrate that this is achieved in reality. This serves to emphasise our concern at the lack of independent testing of the eco-towns principle.

6. Infrastructure and Deliverability

- 6.1 The infrastructure offer attached to many of the proposals, including those in the South East, appears impressive. However there is a real concern that these offers have been put forward without any assessment as to their realism, both in terms of affordability and deliverability.
- 6.2 Annex B of the consultation document sets out what further work will be undertaken on assessing infrastructure needs. The Department for Transport and Highways Agency have been involved in early rounds of assessment of the proposals. However, further infrastructure assessment is now underway by the scheme promoters. This apparently includes the work necessary to prepare a Transport Assessment, in keeping with requirements for all new developments.
- 6.3 Given the complexity of such exercises, it is difficult to see how satisfactory assessments and assurances about delivery can be undertaken in order to enable a reasoned judgement to be made about the suitability of specific eco-town proposals by the end of the year. Furthermore it is difficult to see how the necessary financial work required to inform the preparation of draft heads of terms for the necessary legal agreements can be completed in the timescale.
- 6.4 We are extremely concerned that some of the promises made in support of the eco-town proposals, which may appear very attractive, may not be deliverable or have inadequate funding or certainty attached. We believe that there is a very real danger that resources will be diverted from existing priorities (including Growth Areas) rather than added to.

7. Implications of Proposals in Other Regions

- 7.1 One of the eco-town proposals included within the consultation document is for a development at Marston, just South of Bedford in the East of England region. In common with colleagues at the East of England Regional Assembly, we are concerned over the fit of this proposal with the adopted Milton Keynes South Midlands sub-regional strategy. We are also concerned at the potential implications for other major developments that are part of this strategy (in terms of diverting resources) and deliverability of the necessary infrastructure. We therefore believe that this proposal should be considered at greater length as part of the review of the sub-regional strategy.

8. Conclusions

- 8.1 The eco-town concept has much to support, especially the very strong and clear principles of sustainable design and construction, and the ambition to result in net environmental benefits for an area. However, achieving such standards should increasingly be seen as the norm, particularly given the strengthening of Building Regulations and use of the Code for Sustainable Homes. Accordingly it is questionable as to whether the eco-town principle serves to add value to what is already enshrined within the statutory planning framework.

- 8.2 The process by which the eco-towns initiative has developed is a major concern. Contrary to the assurances given by Ministers, it is clear that the principle of such proposals is being taken forward outside of the planning system. It is not acceptable to limit the role of the statutory planning system to consider the overall scale of development but not the principle of an eco-town. The proposed PPS on eco-towns will be a means for Government to impose national policy. It will contrast sharply with the rigorous and independent testing of the proposals contained in the draft South East Plan.
- 8.3 The approach to undertaking the Sustainability Appraisal serves to emphasise the flaws in the whole process to date. It is unclear as to the extent to which the appraisal process is truly an independent assessment of the eco-town proposal.
- 8.4 There remains an urgent need for Government to clarify whether the growth associated with an eco-town proposal will be included in, or additional to, the overall regional and district housing provision figures in the South East Plan (including in the Proposed Changes due to emerge from GOSE shortly).
- 8.5 It is difficult to comment on the details of each proposal given the limited extent to which each has been developed. However the deliverability of some of the infrastructure promised by the scheme promoters is, at best, highly questionable, both in terms of timescale and affordability.

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