
Meeting of the Executive

23rd October 2007

Report of the Director of Housing & Adult Social Services, and the Director of City Strategy

Housing Green Paper – New Growth Points / Eco-towns

Summary

1. This report outlines the key elements of the New Growth Points (NGP's) and Eco-towns proposals set out in the recent Housing Green Paper and then summarises the proposal by the Leeds City Region (LCR) Leaders to submit a bid to government by the end of October. It sets out the key aspects of the national programme, the key elements of the proposed LCR bid, considers some of the key advantages and issues we need consider then seeks endorsement for York Northwest (YNW) to be included within the bid.

Background

2. The recent Housing Green Paper announced the roll out the NGP programme to include, for the first time, areas in the north and to invite bids from local authorities or partnerships to become part of the programme during 2008/09. It is targeted at councils "able to support significant increases in homes and jobs in the area." It says the government will provide funding to authorities who are "ready to take forward rates of growth *substantially above previously planned levels* for delivery to 2016." The New Growth Points, Growth Areas and ten Eco-towns (also out to bidding) will share in the £300m Community Infrastructure Fund. Any bids will be subject to cross-government assessment to consider sustainability, affordability and realism of proposals. Expressions of interest are being sought by DCLG by the end of October.

Options

3. Option 1 - To support York's inclusion within the Leeds City Region bid,
4. Option 2 - To recommend that we are not included.

Analysis

5. The rest of this briefing sets out the key elements of the New Growth Point and Eco-town proposals from government and the issues we should consider in deciding whether to sign up to the Leeds City Region bid.

New Growth Points

6. NGP's must be at least 20% above previously planned levels of housing – the RSS Proposed Changes for York (640 per annum to 2008 then 850 per year to 2026) take us above this level and make York eligible to bid. Local authorities must deliver at least 500 dwellings per year, so York would qualify.

Eco-Towns

7. Eco-towns must be large scale freestanding new settlements. They will need to have good links to nearby towns and cities (either rail or high quality public transport). Each should cater for between 5000-20,000 homes. The Green Paper talked of five new eco-towns but Gordon Brown has recently announced they are looking for 10 – effectively one for each region.
5. There has been some debate as to whether YNW would qualify and should be put forward – it would not qualify when measured against the above criteria. However we will adopt eco-town principles in its development – a key element of the proposed vision for YNW in the Issues and Options report, on which we are about to go out to public consultation, is to create an “exemplar sustainable community”. YNW is however a key element of the LCR NGP bid.

Bidding Criteria for New Growth Points

8. York would tick all the right boxes in terms of the bidding criteria. The key strengths of a York bid would be: tackling market and affordable housing needs; supporting economic growth; a closer link between economic growth projections and housing numbers; YNW offers a sustainably located brownfield site to accommodate significant growth; and that we are nationally recognised for our sustainable transport successes.

The Leeds City Region bid

6. A LCR bid is being prepared by consultants Arup on behalf of the Leeds City Region. Their proposals were considered by the Leeds City Region Leaders Group on 8th October who agreed to submit a bid for Leeds City Region as a NGP and to investigate further possible locations for an Eco-town.
7. The key elements of the bid are:
 - Four areas within the LCR are identified as Potential New Growth Points: the ‘Five Towns’ (Wakefield) - 4,000-6,000 homes; Aire Valley Leeds –

4,000-5,000 homes; Bradford centre/ShIPLEY/Canal corridor – 3,000-4,000 homes; York Northwest – 3,500-4,500 homes

- They identify an additional four ‘secondary’ locations for accelerated growth: South Dewsbury – 1,000-2,000 homes; Hipperholme – 1,000-2,000 homes; Barnsley – 1,000- 2,000 homes; Skipton/South Craven/Upper Airedale – 1,000-2,000 homes
 - A “statement of intent to investigate potential locations” for a new Eco-town. The consultants identify a “potential area” between Leeds/York/Selby/Wakefield (outside York’s administrative boundaries) – an Eco-town in this area would help to address high housing demand around York and Leeds, and overlaps to some degree with the Golden Triangle area which is seen as a priority for addressing high affordable housing need.
8. The Eco-town initiative is also open to private developers to submit bids so specific locations within this broad area of search or alternative locations may come forward separately.
9. Yorkshire Forward expressed initial concerns regarding the potential impact on employment potential at YNW if it was a ‘housing led’ scheme – our work on the YNW AAP to date shows there is ample scope to accommodate both significant housing and employment uses - its regional employment role is key to our plans and the new Central Business District at York Central remains a key element of our proposals. The actual number of houses that can be achieved at YNW cannot be determined until we move to Preferred Options on the AAP and will be influenced by decisions on the balance of flats and houses and the densities that we will seek on both sites.

Growth Issues

10. York has grown substantially over the last 20 years (population, households, jobs). All projections show this will continue for the next 20 years – there will be a debate about levels of growth through the Regional Spatial Strategy (RSS), Local Development Framework (LDF) and Community Strategy review processes but these will be about levels of growth rather than whether York should grow at all – this is not an option. We are very unlikely to get less housing than RSS Proposed Changes recommend – the increases in house building required have happened nationally and across the region to reflect the governments housing agenda – it is not just a York issue. If we are to grow, then we need the investment and infrastructure to make it happen in a sustainable and timely way – NGP’s provides an opportunity for this.

Planning Issues for York

11. Our housing land supply projections to date show we are likely to be able to accommodate the levels in the RSS proposed changes without the need to identify land over and above that already identified through the Local Plan

process. The approval of the Germany Beck and Derwenthorpe schemes and the recent significant brownfield windfalls (British Sugar; Terry's, Nestle South etc) help our overall supply position greatly.

12. We accept that our figures could be challenged as part of the LDF process (around the extent to which we should take future windfalls into account or on the capacity/deliverability of certain sites such as York Central). However we believe we have a strong case for taking an element of future windfalls into account given past trends. We also believe that further brownfield potential will be identified through the 'call for sites' as part of our LDF Allocations document work and through the potential to re-allocate some standard employment land for other uses (on the basis of the findings of the recently completed Stage 1 of the York Employment Land Review).
13. The invitation letter from government stresses that once selected New Growth Points will be "subject to consultation, testing and independent examination through the planning system". The DCLG website also stresses for each of the existing NGP's that:

"Levels of growth will be subject to comprehensive testing and public consultation through the regional and local planning processes to ensure that individual proposals are sustainable, acceptable environmentally and realistic in terms of infrastructure"

14. So, there are checks and balances built in to ensure development will only go forward if it can be accommodated in an environmentally sustainable way. This is important because we are currently undergoing city-wide consultation as part of the Community Strategy Review and LDF Core Strategy on appropriate levels of growth for the city – the statutory planning process has to take primacy in this respect

Key benefits of being part of a LCR New Growth Point

15. There are a number of benefits of being part of a LCR Growth Point:
 - Access to the £300m Community Infrastructure Fund
 - We can influence wider government/agency investment priorities
 - Long term government commitment – 'Partnership for Growth'
 - Housing and Planning Delivery Grant for housing growth areas
 - Better able to meet market demand for housing and tackle affordable housing issues
 - Better alignment of economic and housing growth to support our economy – a key recommendation of the Future York Group report

- Delivering YNW will take pressure off greenfield sites – NGP status will help with delivery

Some other issues to consider

16. Some may consider this commitment to be part of a NGP bid to be premature given current joint city-wide consultation on the LDF Core Strategy and Community Strategy review. This is looking at a future vision for the city including a debate about appropriate levels of growth. However the government has made it clear that levels of growth will be subject to comprehensive testing and public consultation through the regional and local planning processes to ensure that individual proposals are sustainable, acceptable environmentally and realistic in terms of infrastructure – so the primacy of the planning system is not compromised.
17. Some stakeholders within the city will challenge York's ability to accommodate this level of growth. Our key objections at the RSS Examination on higher levels of growth focussed on levels of additional greenfield land that would need to be released and on the traffic and congestion that would result. Our ongoing work being carried to support the LDF is now pointing towards this level of growth being accommodated on brownfield, windfall and other known and potential sites without further land release over and above that identified in the Local Plan. The traffic implications of higher growth are a serious issue that needs to be addressed and any bid on behalf of the LCR must stress the importance of releasing sufficient transport funding to support these levels of growth, linked to NGP status. For existing NGP's the DoT has worked closely with each local authority to assess the current transport issues and what needs to be done to address them. The key point is that all proposals will be legitimately tested through the statutory planning processes.
18. Government funding inevitably comes with 'strings attached' in terms of detailed bidding requirements for each 'project' seeking funding, as well as for administration, programme management and monitoring. There will need to be a staff resource made available to fulfil these requirements either at the LCR level at individual local authority level or potentially at both levels. Without that we are unlikely to have the staff resources available to take it forward.

Conclusion

19. It is highly likely that we'll get the levels of housing growth for York set out in the RSS Proposed Changes. The government have very clearly set out its national housing priorities in the Housing Green Paper and this is being following through in the Secretary of State's proposed changes to a number of Regional Spatial Strategies, the Yorkshire and Humber Plan being the most recent. There is very little chance of the housing numbers being reduced given government priorities. If we are to get this level of growth then we should take a pragmatic view and try and gain better access to the funding needed to help deliver this growth. Being a NGP will help to draw in

NGP specific funding as well as to argue a higher priority for access to the mainstream spending of key government agencies such as the Housing Corporation, Yorkshire Forward and transport funding agencies.

20. The environmental Sustainability of proposals will be tested through RSS and LDF processes – so there are checks and balances built in. There should be major benefits in terms of gaining access to funding and expertise to help delivering YNW. There will also be major benefits in terms of meeting housing needs and supporting the sustainable growth of our economy.

Next Steps

21. Subject to the endorsement of the Executive York Northwest will be included as part of a Leeds City Region bid. Bids need to be submitted by end of October 2007. Following consultation with local authority officers on the draft bid it will need to be signed off by the Leaders Board Chair and Chief Officer for submission by 31st October. Cross-government review of bids will take place in November and December 2007 with announcement of successful bids in early 2008. Funding is likely to be available from April 2008.

Corporate Priorities

22. The development of YNW as a NGP will support the following priorities outlined in the Corporate Strategy:

“Improve the quality and availability of decent, affordable homes in the city”

“Increase the use of public and other environmentally friendly modes of transport”

Implications

23. Implications arising from this report are:

- **Financial** – None arising directly from this report, however if the bid is successful there may be financial implications that will need to be considered as part of the LCR secretariat;
- **Human Resources (HR)** - None arising directly from this report;
- **Equalities** - None arising directly from this report;
- **Legal** - None arising directly from this report;
- **Crime and Disorder** - None arising directly from this report;
- **Information Technology (IT)** - None arising directly from this report;

- **Property** - None arising directly from this report;
- **Other** - None arising directly from this report;

Risk Management

24. An number of the risks and the mitigating issues have been outlined within the report, however a key risk of not being involved in the LCR as a NGP may be that it will be more difficult to access funding to help support the infrastructure works required to deliver YNW.

Recommendations

25. Members are recommended to approve option one, to support York's inclusion within the Leeds City Region bid.

Reason: Given the context of growth within the LCR and the government's clear signals through the Housing Green Paper that additional housing must be accommodated.

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Report Approved tick Date

Wards Affected: *List wards or tick box to indicate all*

All tick

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