

SUSTAINABLE GROWTH SCRUTINY COMMITTEE

THURSDAY 3 DECEMBER 2009

6.30 PM

Forli Room - Town Hall

AGENDA

Page No

1. **Apologies for Absence**

2. **Declarations of Interest and Whipping Declarations**

At this point Members must declare whether they have an interest, whether personal or prejudicial, in any of the items on the agenda. Members must also declare if they are subject to their party group whip in relation to any items under consideration.

3. **Request for Call-In of an Executive Decision - East of England Plan to 2031: Scenarios for Housing and Economic Growth Consultation** 1 - 22

4. **Date of Next Meeting**

Monday 18 January 2010



There is an induction hearing loop system available in all meeting rooms. Some of the systems are infra-red operated, if you wish to use this system then please contact Louise Tyers on 01733 452284 as soon as possible.

Emergency Evacuation Procedure – Outside Normal Office Hours

In the event of the fire alarm sounding all persons should vacate the building by way of the nearest escape route and proceed directly to the assembly point in front of the Cathedral. The duty Beadle will assume overall control during any evacuation, however in the unlikely event the Beadle is unavailable, this responsibility will be assumed by the Committee Chair.

Committee Members:

Councillors: M Fletcher (Chairman), S Allen (Vice-Chairman), D Day, S Day, S Lane, G Murphy and J Peach

Substitutes: Councillors: B Saltmarsh, P Winslade and S Goldspink

Further information about this meeting can be obtained from Louise Tyers on telephone 01733 452284 or by email – louise.tyers@peterborough.gov.uk

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SUSTAINABLE GROWTH SCRUTINY COMMITTEE	Agenda Item No. 3
3 DECEMBER 2009	Public Report

Report of the Solicitor to the Council

Report Author – Louise Tyers, Scrutiny Manager

Contact Details – (01733) 452284 or email louise.tyers@peterborough.gov.uk

REQUEST FOR CALL-IN OF AN EXECUTIVE DECISION: EAST OF ENGLAND PLAN TO 2031: SCENARIOS FOR HOUSING AND ECONOMIC GROWTH CONSULTATION

1. PURPOSE

- 1.1 To consider a request to call-in an executive decision made by the Cabinet Member for Strategic Planning, Growth and Human Resources.

2. RECOMMENDATIONS

- 2.1 That the Sustainable Growth Scrutiny Committee considers a request to call-in a decision taken by the Cabinet Member for Strategic Planning, Growth and Human Resources in respect of the East of England Plan.

3. BACKGROUND

- 3.1 On 19 November 2009, the Cabinet Member for Strategic Planning, Growth and Human Resources made an executive decision relating to the East of England Plan to 2031. In accordance with the Constitution this decision was published on 20 November 2009.

- 3.2 On 24 November 2009, Councillors Sandford, Fower and Trueman submitted a request to call-in this decision on the following grounds:

- (i) The decision is Key but it has not been dealt with in accordance with the Council's Constitution.
- (ii) The decision does not follow the principles of good decision making set out in Article 12 of the Council's Constitution, specifically that the decision maker did not:
 - (a) realistically consider all alternatives and, where reasonably possible, consider the views of the public;
 - (b) understand and keep to the legal requirements regulating their power to make decisions; and
 - (c) follow procedures correctly and be fair.

- 3.3 A copy of the request to call-in is attached at Appendix 1 and a copy of the decision notice is attached at Appendix 2.

- 3.4 After considering the request to call-in and all relevant advice, the Committee may either:

- a) not agree to the request to call-in, when the decision shall take effect;
- b) refer the decision back to the decision maker for reconsideration, setting out its concerns; or
- c) refer the matter to full Council.

4. IMPLICATIONS

4.1 Any implications are contained within the decision notice at Appendix 2.

5. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

None

6. APPENDICES

Appendix 1 – Request to Call-In Decision

Appendix 2 – Decision Notice

CALL-IN REQUEST FORM

This form must be completed, signed by at least two members of any Scrutiny Commission or Scrutiny Committee and returned to the Scrutiny Team within 3 working days of the decision being published (*not including the day of publication*)

Decision taker:	Cllrs Hiller and Elsey <i>Cllr Croft</i>
Date of publication of decision:	20 Nov 2009
Decision Called in :	DECISION: East of England Plan >2031 : Scenarios for Housing and Economic Growth Consultation - Response - NOV09/007/CMDN

	REASONS FOR CALL-IN	Tick which reason applies
1.	Decision contrary to the policy framework?	
2.	Decision contrary or not wholly consistent with the budget?	
3.	Decision is Key but it has not been dealt with in accordance with the Council's Constitution.	x
4.	Decision does not follow principles of good decision-making set out in Article 12 of the Council's Constitution.	x
If reason 4, please tick which specific element of Article 12 the decision maker has not followed, did he or she not:		
(a)	Realistically consider all alternatives and, where reasonably possible, consider the views of the public.	x
(b)	Understand and keep to the legal requirements regulating their power to make decisions	x
(c)	Take account of all relevant matters, both in general and specific, and ignore any irrelevant matters.	
(d)	Act for a proper purpose and in the interests of the public.	
(e)	Keep to the rules relating to local government finance.	
(f)	Follow procedures correctly and be fair.	x
(g)	Make sure they are properly authorised to make the decisions.	
(h)	Be responsible for their decisions and be prepared to give reasons for them.	
(i)	Take appropriate professional advice from officers.	

Detailed Reason(s) for Call-in. Please explain below why one of the reasons for call-in applies (eg. For number 1 - which major policy affected and how/why)

This decision was published on 20 November. It is the council's response to the consultation on the East of England regional plan up to the year 2031. The close date for responses is 24 November. However, this allows no time for consideration of the decision by scrutiny committees as the last date for calling in the decision is 25 November and the decision cannot be implemented until 26 November.




However, we understand that officers have already submitted this response, prior to its proper approval under the council constitution.

There was ample time for this decision to be published and to allow proper time for call in or scrutiny. This consultation has been subject to a three month consultation period. From checking the reports, we understand that a draft response was available as early as 3 November but it has taken ~~over~~ ^{ALMOST} three weeks for it to reach the cabinet members and be signed off.

It is not the first time that this sort of thing has happened. Only 2 months ago a response to the East Midlands Regional Plan was signed at the last minute with insufficient time for scrutiny. When we raised this at full council and with legal officers we were told that this would not happen again....but it has.

This is a crucial consultation for Peterborough, and yet there has been no involvement with the Council's Scrutiny committees or councillors outside the cabinet in drawing up the council's response. The council has a local plans working group for precisely this purpose but it has not met or been consulted about this response.

This decision should be referred back to the decision makers who should be asked to ensure that in future adequate time is allowed for scrutiny of consultation responses and a report should be prepared by the Monitoring Officer for Full Council outlining in detail revisions to procedures which will be implemented to ensure that this happens.

	Name (please print)	Signature	Date
1.	NEOK SANDFORD		21/11/09
2.	DARREN TCHAI		21/11/09
3.	WILLIAM TRUEMAN		21/11/09

THIS PART OF THE CALL-IN REQUEST FORM IS TO BE COMPLETED BY THE CHIEF EXECUTIVE (OR HIS/HER REPRESENTATIVE)

Date form received:	24/11/09	
Form processed by (name):	Louise Tyers	
Was Call-in request received within timescales?	<input checked="" type="radio"/> YES/ <input type="radio"/> NO	If No, reject and inform parties, initial and date this box to show completed
Is the request form signed at least 2 members of any Scrutiny Commission or Scrutiny Committee?	<input checked="" type="radio"/> YES/ <input type="radio"/> NO	If No, reject and inform parties, initial and date this box to show completed

URGENCY

1.	In the view of the decision-maker, was the decision made of an urgent or special urgent nature, and if so, why?
2.	In the view of the Chairman of the Environment Capital Scrutiny Committee, is the decision under consideration sufficiently urgent that it should not be available for call-in, and if so, why?

To be considered by which Scrutiny Commission/Committee	Sustainable Growth Scrutiny Ctee	
Date for Scrutiny Commission/Committee to consider request for call-in	3/12/09	
Result of the Scrutiny Commission/Committee's considerations		
If necessary, which decision-maker is to reconsider decision and by which date?	Decision-maker	Date

Signature and date of officer completing Call-in request form	Signature Name (please print)	Date
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DECISION NOTICE – Cabinet Member for Strategic Planning, Growth and Human Resources.

Report Title	EAST OF ENGLAND PLAN >2031 : SCENARIOS FOR HOUSING AND ECONOMIC GROWTH CONSULTATION - RESPONSE
Delegations Checked	This decision is proposed in accordance with the delegations for the Cabinet Member for Strategic Planning, Growth and Human Resources as set out at delegation number 3.11.1 (d) and (f) and 3.11.6 of Part 3 of the delegation document.
Name and contact details of officer requesting the decision	Head of Delivery, Shahin Ismail Contact Officer: Harj Kumar, Senior Strategic Planning Officer - Tel: 863852 Harj.kumar@peterborough.gov.uk
Is the report or background information attached to this request exempt?	No
Is this a Key Decision Key Decision Reference	No
Details of decision required	To approve Peterborough City Council's response to the East of England Regional Assembly's " <i>East of England Plan >2031: Scenarios for housing and economic growth - consultation</i> ".
Reasons for recommending decision and any relevant background information	<p>The current version of the Regional Plan for the East of England Plan was published by the Secretary of the State on 12 May 2008. The review of the East of England Plan is due to be completed in 2011. There will be public consultation at key stages of the process to enable members of the public and others to contribute. The review will consider:</p> <ul style="list-style-type: none"> • jobs and homes targets for 2011-2031 including affordable homes; • broad locations for new development; • regional infrastructure needs e.g. transport; • targets to reduce the use of natural resources (energy, water) and greenhouse gas emissions; • priorities for the environment such as the countryside and biodiversity protection. <p>The consultation document (which has a deadline for response by 24 November 2009) represents an early stage of the review process. It sets out four scenarios with different levels of housing increases and different levels of economic growth.</p> <p>Attached to this decision notice is a report setting out the background information and details of the four scenarios and at section 4, the proposed formal response by Peterborough City Council to the consultation.</p>

	<p>In summary, our response is to:</p> <ol style="list-style-type: none"> 1. Acknowledge scenarios 1 and 3 as they result in the same target for Peterborough, and both accept that Peterborough would need intervention in its economy in order for it to be deliverable. However, it should be noted that whilst the Peterborough figures do not change in either scenario, the regional figures are substantially higher in scenario 3 than 1. On the basis that higher regional figures would lead to higher competition to deliver between places (for jobs, builders, infrastructure funds, etc) it would appear that the most beneficial scenario for Peterborough would be scenario 1 which gives Peterborough a high (albeit challenging) growth target, acknowledges the need for economic intervention in the city, yet limits 'competition' for growth and funds from other localities. All other scenarios are not capable of achieving all of these benefits. 2. Suggest changes to objective (iii) (fourth bullet point), to include reference to East Midlands region as well as London where inter-regional connections need to be enhanced to improve economic opportunities. 3. Suggest changes to Policy PB1 to recognise the role of Peterborough as a sub-regional centre serving both East of England and East Midlands regions. The need for joint working with the East Midlands Region particularly when prioritising transport infrastructure is to be included in the policy along with greater use of the River Nene as a recreation and transport asset.
<p>Alternative options considered and rejected</p>	<p>ALTERNATIVE OPTIONS CONSIDERED</p> <p>Not to respond to this consultation. This would have a detrimental effect on Peterborough's ability to deliver planned growth for the following reasons;</p> <ol style="list-style-type: none"> 1. We would not be able to influence the East of England Plan at this early stage of its preparation. It is easier to influence the strategy early before aspects of it become embedded at later stages of the consultation process and it would then become more difficult to influence changes. 2. Our local planning policies will have to be in line with the East of England Plan. If we do not make representation concerning the level of growth we want, it will be imposed upon us by the Plan.
<p>Declarations / conflict of interest</p>	<p>Declarations of any other Cabinet Members consulted by the Cabinet Member making the decision.</p>
<p>Dispensations granted</p>	<p>In respect of any declared conflict of interest in relation to the decision, any dispensation granted by the Secretary of State/Standards Committee.</p>

Consultation (officers/ward councillors)	Section	Name	Outcome	Date
<p><i>Legal and finance should be consulted regarding the proposals. Ward Councillors, other Cabinet Members and officers should be consulted if the proposals will have an impact on their service area/ward.</i></p>	Ward Councillors <i>(if decision is ward specific)</i>			
	Legal	Ruth Lea	Approved	03.11.09
	Finance	Nick Hutchins	Approved	02.11.09
	Democratic Services	Alex Daynes	Approved	27.10.09
	Procurement Project Director <i>(if decision is contract/procurement related)</i>			
	Head of Strategic Property <i>(if decision is property related)</i>			
	Other Officers / Members	<p>Cllr Hiller - Cabinet Member for Neighbourhood, Housing and Community Development</p> <p>Cllr Eley – Cabinet Member for Regional and Business Engagement</p>	<p>Approved</p> <p>Approved</p>	<p>05.11.09</p> <p>09.11.09</p>
Director's approval <i>Directors are requested not to sign if the above section is incomplete</i>	Ben Ticehurst			Date 17.11.09
Date sent to Cabinet Member if key decision	<i>To be inserted by Democratic Services</i>			
If key decision – date decision may be taken	<i>To be inserted by Democratic Services</i>			
Cabinet Member approval	Cllr Croft			Date 19.11.09
Reasons for making decision Please tick one of the Options	Option 1 I agree with the officer's reasons for recommending the decision.			
	Option 2 I agree with the officer's reasons for recommending the decision and have the following additional comments to make.			
<i>Once signed by Director, please pass to Democratic Services. We will contact the Cabinet Member and arrange for signature.</i>				

EAST OF ENGLAND PLAN >2031 – SCENARIOS FOR HOUSING AND ECONOMIC GROWTH AND PETERBOROUGH POLICY UPDATE – CONSULTATION

Please Note: This report is in two parts:

- **Part 1** relates to the formal public consultation on the above document, and sets out our reasoning and recommended response to it (pages 1 – 8)
- **Part 2** relates to an informal consultation (i.e non-public) we have received from officers at EERA regarding any early comments PCC might have on any possible revisions to the existing East of England Plan policy on Peterborough (i.e. Policy PB1) (pages 9-13)

PART 1 - EAST OF ENGLAND PLAN >2031 – SCENARIOS FOR HOUSING AND ECONOMIC GROWTH AND PETERBOROUGH POLICY UPDATE – CONSULTATION

1.0 Introduction and Background

- 1.1 A review of the East of England Plan (or 'East of England Regional Spatial Strategy' (RSS)) is underway, and we are currently in the middle of a formal consultation stage (until Nov 24th). Whilst still very early in the full East of England Plan review process, and well in advance of formal policy consultation (this consultation is more about 'issues and options' rather than detailed policy wording), it is important that PCC formally responds to the consultation so as to influence the 'direction' that such a review may take as it progress to policy.
- 1.2 The consultation comprises of a relatively short 'issues and options' document, together with eight questions. Whilst all the questions are reasonable, without doubt the most important one to consider and respond to is "Q3: What is your preferred growth scenario and why?" because this cuts across the two crucial issues of **how much growth** and **how will it be delivered**.
- 1.3 The current East of England Plan (May 2008) sets out regional planning policy 2001 to 2021, i.e. only 12 more years until the plan end date, which is contrary to the national recommended time frame of having a strategy which looks ahead at least 20 years. As such, a focused review of the East of England Plan is needed to make provision for the East of England's development needs from 2011 to 2031.
- 1.4 To be clear, the review is not a complete re-write of the 2008 adopted current Plan, but rather a focussed review on key issues including:

- jobs and homes targets for 2011-2031 including affordable homes;
 - broad locations for new development;
 - regional infrastructure needs e.g. transport;
 - targets to reduce the use of natural resources and greenhouse gas emissions;
 - priorities for the environment such as the countryside and biodiversity protection.
- 1.5 The review of the East of England Plan is due to be completed in 2011. There will be public consultation, in addition to the period we are now in, at key stages throughout.

2.0 What are the choices we are being consulted upon?

- 2.1 In this first stage of consultation, EERA is seeking responses to four different approaches to housing and economic **regional** growth summarised as follows:
- **Scenario 1 - 26,060 new homes per annum (521,120 in the period 2011-2031)** – continuation of existing pro-rata targets and broadly based on the views of local councils

in the region. Investment in some economies may be needed to achieve targets in some locations.

- **Scenario 2 - 30,100 new homes per annum (602,020 in the period 2011-2031)** – promotes growth in areas identified by the Regional Scale Settlement Study published in Jan 2009. Chelmsford would grow strongly, three medium-sized new settlements of up to 20,000 homes located in Central Bedfordshire, Huntingdonshire and either Uttlesford or Braintree – and smaller increases in Peterborough, Suffolk and the rest of Essex. It is predominantly based on capacity to take growth rather than economic conditions.
- **Scenario 3 – 29,970 new homes per annum (599,480 in the period 2011-2031)** – promotes growth around successful business locations where new jobs are attracting workers. Additional growth is therefore spread over many districts but with a particular focus on Hertfordshire, south Essex and Cambridgeshire. For some localities which projections indicate economic stagnation or decline (assuming no intervention in their economies), the housing targets would ordinarily be likely lower than scenario 1. However, scenario 3 does not do this but rather uses scenario 1 as a ‘floor’ for housing targets because it assumes such weak economies are intervened with to enable economic growth. (i.e. in housing target terms, scenario 3 is effectively the same as scenario 1, but the strongest economies are given a further ‘top-up’ in housing numbers).
- **Scenario 4 – 33,650 new homes per annum (673,000 in the period 2011-2031)** – promotes growth where households are projected to grow. It is based on long-term trends such as people living longer and people moving to the region. It focuses the majority of additional growth in Hertfordshire, Essex, Norfolk and Suffolk. It overall produces the highest growth target, but this is not the case for all districts.

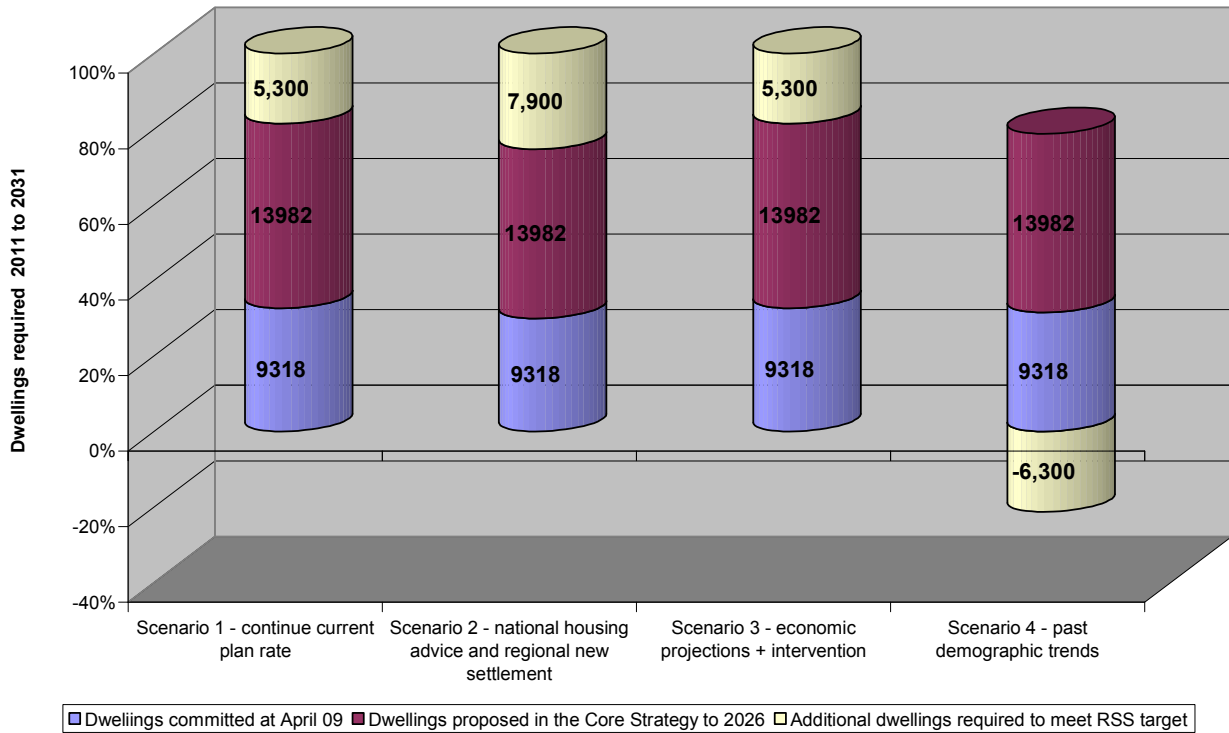
3.0 Growth scenarios – Implications for Peterborough

Local authority	New dwellings 2011-2031			
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Peterborough	28,600	31,200	28,600	17,000
Dwellings per annum	1,430	1,560	1,430	850

Source: EERA consultation document

- 3.1 The consultation booklet breaks down the regional figures into district housing targets, and for Peterborough they are given in the above table. To put these figures in context, the adopted East of England Plan (2008) requires Peterborough to make provision for a minimum net increase of 25,000 dwellings between April 2001 and March 2021 (i.e. 1,250 additional dwellings per annum), though to take account of: (a) the shortfall of completions during 2001-2006; and (b) the need to continue growth beyond 2021, the East of England Plan actually states that Peterborough must provide for 1,420 dwellings a year from 2006 to 2021 and beyond. The well advanced emerging Peterborough Core Strategy, which is to cover the period to 2026, needs to be in conformity with the adopted East of England Plan and is therefore planning for an overall total of 25,500 dwellings between 2009 and 2026.
- 3.2 The maths begin to then get a little complicated, but assuming we deliver in Peterborough 1,100 homes over the next two years (i.e. 2,200 homes 2009-11), this will leave 23,300 dwellings coming forward via our Core Strategy 2011 to 2026 (i.e. 25,500 – 2,200 = 23,300). We next then need to work out what the implications are for each of the four scenarios we are being consulted upon, reflecting the fact that our Core Strategy only goes to 2026 (rather than 2031 as per this consultation). Taking account of dwellings committed (but not built) in Peterborough, the chart on the next page shows the number of additional dwellings needed for each of the scenarios proposed by EERA. The important ‘band’ to look at is the yellow one (which gives the additional dwellings required to be planned for on top of our Core Strategy in order to meet the four East of England scenarios).

Growth Scenarios - Implications for Peterborough

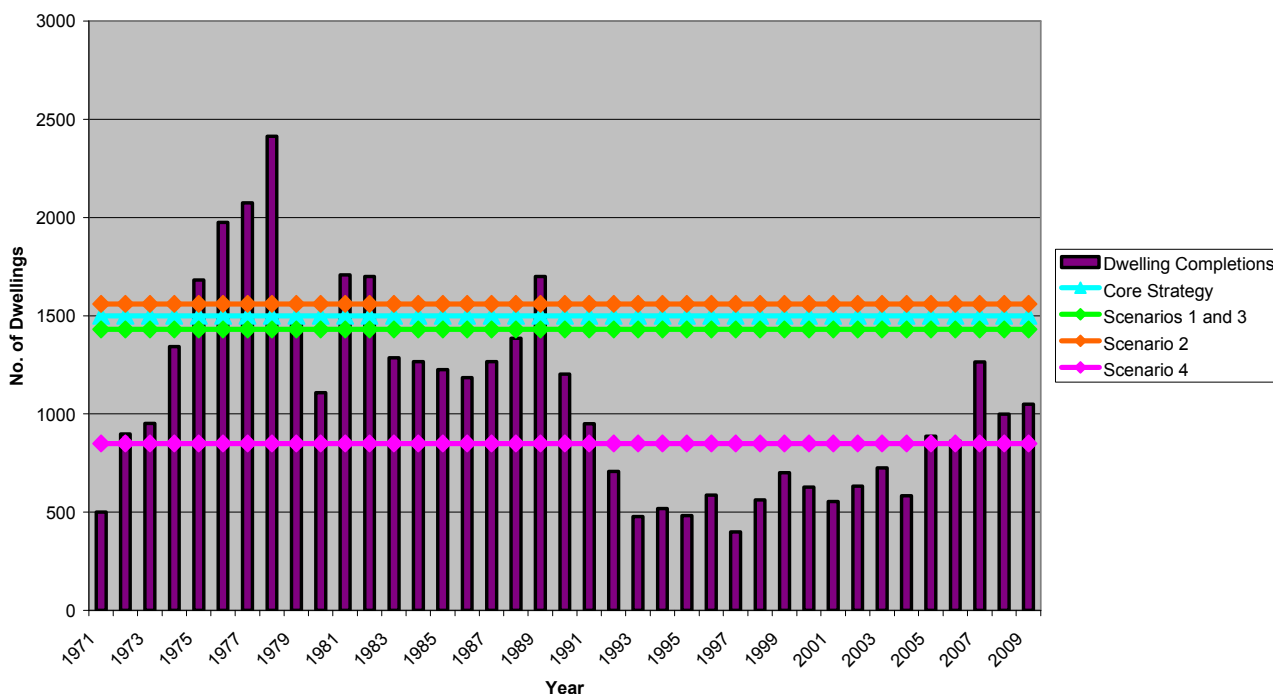


- 3.4 Scenario 1 would thus require Peterborough ‘to find’ land for 5,300 more dwellings 2026-2031, on top of what it is planning for in the Core Strategy. The required 20 year (2011-2031) rate of 1,430 dwellings p.a. would be marginally less than what the very challenging Core Strategy is proposing (1,500 dwellings per annum).
- 3.5 Scenario 2 results in the highest figure for Peterborough (31,200, or 1,560 pa) reflecting this scenario’s focus on, generally, directing growth to larger settlements in the region which have physical capacity for growth (but tends to ignore deliverability and economic scenarios). We would need to find land for 7,900 more homes in addition to the Core Strategy allocations.
- 3.6 Scenario 3 results in the same housing growth target as scenario 1 (i.e. Peterborough would be required ‘to find’ land for 5,300 more dwellings 2026-2031). This is because the (relatively weak, non intervention based) economic projections for Peterborough do not warrant a ‘top up’ in housing numbers compared with scenario 1. Also, with scenario 1 acting as a ‘floor’ for weaker economies such as Peterborough, it assumes intervention will be needed in Peterborough in order to boost its economy (and support the housing growth target).
- (For Peterborough, therefore, scenarios 1 and 3 are effectively based on the same assumptions and thus give the same result – i.e. economic intervention would be required in order to create more jobs which in turn would support housing growth.)*
- 3.7 Scenario 4 (based purely on Government’s household projections) suggests that, between 2011 and 2031, there will be a need for an additional 17,000 dwellings in Peterborough. Not only is this significantly below the other three scenarios, it would actually have the consequence of: (a) ‘deleting’ around 6,300 housing numbers from what we are planning for in the Core Strategy; and (b) stretch this reduced target over a further 5 years. The end result would be 850 dwellings pa (2011-31), substantially lower than all other scenarios (though it should be noted that it would still be above the approximately 700 dwellings pa we have achieved over the past 20 years).
- 3.8 To further illustrate the implications and challenges ahead, irrespective of which scenario we plan for, the graph below shows our housing completions record from 1971 to 2009. The

Core Strategy and all the growth scenarios targets are also shown on the graph. As indicated on the graph, there were only seven years where housing completions exceeded above 1500 dwellings. These were generally achieved at the time when the Development Corporation was operating and delivering considerable numbers of social housing. Since 1989, and despite periods of very strong economic growth, our housing completions have not once exceeded 1,500 dwellings per annum (which is broadly what the Core Strategy and Scenarios 1-3 are planning for). It goes without saying, therefore, that it is going to be even more challenging to achieve our housing target during the next few years as the economy emerges out of recession and there is likely to be less public funding available to help it along.

3.9 Nevertheless, there is room for optimism as the table (bottom of page) shows. Our annual average housing completions rates have been increasing since 1991. In the last three years, our average annual completions rate has been over 1,000 dwellings which is nearly doubled that achieved between 1991 and 1996. During the recession year of 2009, the housing completions in Peterborough were still over 1,000 dwellings bucking the regional trend.

Housing Completions in Peterborough and Growth Scenarios



	Total	Annl Avg
Mid 1986 to Mid 1991	6660	1332
Mid 1991 to Mid 1996	2772	554
Mid 1996 to Mid 2001	2844	569
Mid 2001 to March 2006	3555	711
April 2006 to March 2009	3313	1104

Job Growth

- 3.10 Along with housing, we need to create sufficient jobs for people either moving into the area or local residents entering the job market. There are approximately 112,000 jobs in the area. More than 6,000 companies are currently located within Peterborough, including some regional and international headquarters based in the city. It has been an attractive location for a range of sectors, including distribution and environmental businesses. Peterborough demonstrated the strongest performance of the East of England cities in the State of English Cities report. However, economic projections for the area (based on the business sectors currently established in the area) suggest a baseline increase in jobs of 10,900 or 10% between 2011 and 2031. This is below the regional average which is an 18% increase in jobs. Significant job growth is needed to realise the housing aspirations of three of the four scenarios.
- 3.11 Key facts about Peterborough
- Economic output (Gross Value Added) per head £24,085 in 2006 (UK: £19,430)
 - 4,825 VAT registered businesses at the end of 2007
 - Median gross weekly earnings for Peterborough residents were £422.00 in 2008 (East of England: £498.70 and UK: £478.60)
 - 74.0 per cent of the working age population were in employment in 2008 (GB: 74.2 per cent)
 - 79.1 per cent of the working age population were either in employment or actively seeking work in 2008 (GB: 78.8 per cent)
 - 6.6 per cent (ILO) unemployment rate in 2008 (GB: 5.7 per cent)
 - 5.5 per cent of the working age population claimed unemployment related benefits in May 2009 (UK 4.1 per cent)
 - Total benefit claimants represented 15.8 per cent of the working age population in Peterborough in 2008, higher than the East of England average at 11 per cent (GB: 14.2 per cent)
 - The qualifications attainment of the working age population in Peterborough was generally lower than the East of England and GB averages in 2008.
- 3.12 Peterborough is facing a number of significant challenges in meeting regeneration aims for the city. The city's claimant unemployment rate at 5.5%, exceeds the UK rate. The city has experienced a number of large scale redundancies over the last 12 months, there remain significant skills challenges and the fabric of the city centre is in need of development.
- 3.13 Notwithstanding this, Peterborough has a number of significant sectors, such as environmental technology, media, engineering and financial services. In short, Peterborough's economy might be characterised currently in terms of a mix of traditional sectors (many of which retain links to surrounding agricultural processes), together with a fast-growing and market-led role in logistics, and a city-centre economy that is underdeveloped in proportion to its population size.
- 3.14 There are potential issues in terms of education and skills. The qualifications attainment of Peterborough's working age population is generally lower than regional and GB levels. Qualifications attainment of the working age population to at least NVQ Level 2 in Peterborough, at 56.0 per cent, is below the East of England average of 62.8 per cent. 36.4 per cent of Peterborough's working age population have NVQ Level 3 qualifications and above. 18.8 per cent have graduate or postgraduate level qualifications or equivalent (NVQ Level 4 or above) - below regional (26.1 per cent) and GB (29.0) levels. In 2007, the Indices of Deprivation results indicated a high rate of deprivation in Peterborough in relation to education, skills and training. In achieving the vision as set out and the growth of key sectors,

improving the skills base in the sub-region will be a key capacity issue of the benefits are to be felt by the local populous.

- 3.15 The IDP for Peterborough identifies a number of capacity risks to achieving the economic vision and targets as follows:
- The ability to attract sufficient target activities, in a highly competitive situation in which many locations will be competing for precisely the same activities. However, Peterborough does have an advantage of an established, successful environmental cluster.
 - The strength of investor and developer interest in developing the space for these activities,
 - The ability to transform the inner city quickly enough to have a significant effect on perceptions of the quality of life and the attraction to target inward investors within the medium term.
 - Failure to achieve job growth in the target sectors might result in reversion to less ambitious target sectors in quality terms, in order to balance growth in the target resident labour force resulting from the RSS housing target.
- 3.16 The formal consultation document does not go into great detail about explicit implications of the scenarios on the economy, and falls short of attempting to set out 'job growth' targets either for the region or individual districts. It is therefore difficult to make judgements on which scenario is 'best' from an economic perspective, though **scenarios 1 and 3 are about supporting existing economies and intervening where necessary, which, reflecting the above economic evidence, is probably to Peterborough's advantage compared with the other two scenarios.**

Vision and Objectives of the Plan

- 3.17 The consultation asks, at the end, whether consultees are comfortable with taking forward the existing vision and objectives as per the adopted Plan (2008). Our view is that whilst we generally agree no fundamental review of the vision is required, we feel there is a need to recognise that there is also inter-regional connection between the East Midlands (in addition to London, which the vision already recognises), which is particularly important to Peterborough. It would be more accurate, and beneficial, if this connection is included in the vision as it will confirm and enhance a closer working between Peterborough and the East Midlands.

Conclusions

- 3.18 PCC has already previously submitted advice to EERA (as approved by Cabinet on 30 March 2009). PCC advised at that time that it can commit to making provision for 30,000 new dwellings between 2007 and 2031 (equivalent to 1250 per annum). Having considered the housing scenarios and the economic evidence, three of the four scenarios are around 15% above our advice submitted in March (though similar to our Core Strategy targets), whereas one (scenario 4) is significantly lower (by about 1/3rd).
- 3.19 It appears inconceivable therefore to support Scenario 4, which would be completely contrary to our vision and growth ambitions for the City.
- 3.20 The choice between scenarios 1, 2 and 3 is more tricky, partly as there is not a huge difference between them. However, due to the scale of growth (for Peterborough as well as the region) resulting from Scenario 2 appearing undeliverable (when considering historic growth rates and the need for vast public subsidy to deliver it, something which is unlikely for a good number of years if ever), it is thought this scenario should also be rejected.
- 3.21 Scenarios 1 and 3 result in the same target for Peterborough, and both accept that Peterborough would need intervention in its economy in order for it to be deliverable. As such, it could be concluded that we 'support' either of those options. However, it should be noted

that whilst the Peterborough figures do not change in either scenario, the regional figures are substantially higher in scenario 3 than 1. On the basis that higher regional figures would lead to higher competition to deliver between places (for jobs, builders, infrastructure funds, etc) it would appear **the most beneficial scenario for Peterborough would be scenario 1 which gives Peterborough a high (albeit challenging) growth target, acknowledges the need for economic intervention in the City, yet limits 'competition' for growth and funds from other localities.** All other scenarios are not capable of achieving all these benefits.

3.22 However, in supporting scenario 1, it is important to reiterate once again that funding will need to be made available to enable this level of growth to take place, and without it, it will be extremely difficult for Peterborough to meet its housing and economic targets.

3.23 In addition to the choice of scenario 1, we should also recommend that in objective (iii) (fourth bullet point), reference to East Midlands region should also be included as well as London where inter-regional connections need to be enhanced to improve economic opportunities.

4.0 Our proposed formal response to the consultation questions

4.1 Our recommended formal response to the questions are set out below:

Peterborough City Council welcomes the opportunity to comment on this important stage of the review of the East of England Plan.

Our response to the questions set are as follows:

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?

PCC Response: *We consider the scenarios to be reasonable and realistic choices to test.*

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

PCC Response: *see response to Q3.*

Question 3: What is your preferred growth scenario and why? The regional impacts of the growth scenarios

PCC Response: *Peterborough City Council prefers growth scenario 1 because this results in a housing target which is consistent with the City's growth ambitions, is deliverable (albeit challenging), and recognises the need for intervention in the economy and provision of infrastructure. Whilst scenario 3 also has merit, and results in the same target for Peterborough, it is questionable whether the region is able to deliver such high regional housing targets without detrimentally affecting the region's ability to support weaker economies. Scenario 3 is not supported due to its lack of economic intervention or understanding of economic implications, as well as resulting in unrealistically high (and probably undeliverable) regional housing targets. PCC categorically rejects scenario 4 due to the exceptionally low housing targets which would result for the City Council area.*

In supporting scenario 1, the City Council reiterates that view that there will be a need for substantial funding to enable timely and appropriate infrastructure to be delivered alongside the growth. There will need to be a commitment to investing money for infrastructure improvements in the areas where the development is taking place and subsequent commuter routes in order to manage demand on both road and public transport networks.

**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?
A focused review of the Plan**

PCC Response: *No comments*

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?

PCC Response: *We generally agree with the vision and objectives. However, in objective (iii) (fourth bullet point), reference to East Midlands region should also be included, as well as London, where inter-regional connections need to be enhanced to improve economic opportunities. We recognise the important role that London plays in the economy of the southern part of the region, however inter-regional connections with the East Midlands should also be acknowledged.*

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

PCC Response: *No comments at this stage*

Supporting information

:

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

PCC Response: *We welcome the additional information on Peterborough in the sub-area profile.*

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

PCC Response: *No comments at this stage*

PART 2 - EAST OF ENGLAND PLAN >2031 – INFORMAL CONSULTATION ON POTENTIAL CHANGES TO EAST OF ENGLAND POLICY PB1

Advice from Peterborough City Council on PB1 Peterborough Policy Review

- 1.1 EERA is seeking, in parallel to the formal 'scenarios consultation', an informal Peterborough City Council opinion on the review of policy PB1 in the published East of England Plan. The changes might be needed to the policy or the supporting text because of emerging spatial strategy and changes in circumstances since the Plan was drafted. Under the Planning and Compulsory Purchase Act 2004, section 5(5), Peterborough City Council, as a strategic planning authority, has already provide advice to EERA that Peterborough should be designated as a sub-region with sub-regional policies in the RSS (East of England Plan). The recommendations set out below are based this advice and updated in light of new information since this was sent to EERA in April 2009.
- 1.2 As defined in PPS11, there are two main principles for the identification of circumstances in which a sub-regional approach to spatial policy development is required.
 - Comprehensive research has identified a functional relationship between settlements that differ from administrative boundaries and therefore identify a sub-region.
 - A 'strategic policy deficit' has been identified in the areas of housing, transport, employment, regeneration and education. Policy intervention will be required to address this deficit, particularly in the context of the economic downturn and Peterborough's long term growth aspirations.
- 1.3 Since offering this advice, EERA has provided further guidance on review of policies. As well as identifying proposed changes/ revisions, EERA are seeking explanations for the proposed changes and any evidence in support of such a change. This is required for a 'reasons for change' document which will be published alongside the draft Plan when submitted to Go-East in due course. All supporting material and justifications will also assist in preparing technical statements for use at the Examination in Public.
- 1.4 If we want Peterborough to be identified as sub-region, we would have to submit evidence to prove it is a functioning sub-region, which to some extent we have when we sent section 5(5) advice. We are also required to submit draft sub-regional policies and supporting text along with justifications for these policies. This would require considerable work not only in gathering evidence but also in getting 'buy-in' from the neighbouring authorities. There is also no guarantee that these policies will survive the Examination in Public and be included in the final version of the Plan. Considering the previous Panel (in 2006) rejected our sub-regional status, it is likely this will have a bearing on the decision made by a future Panel on this matter.
- 1.5 After considering the work involved and the uncertainty of getting the sub-regional policies in the final version of the Plan, it was decided that it would be more prudent to amend existing PB1 policy than to draft sub-regional policies. Changes to policy PB1 have been drafted to reflect the sub-regional role of Peterborough and to update it in line with our current thinking. This is a simple, yet effective, way forward which meets our aspirations and is less likely to meet resistance compared with a comprehensive review and rewording of (new) policies.
- 1.6 The existing PB1 policy is attached at Annex 1. The main changes and justification to policy PB1 which we are suggesting are listed below:
 - The first sentence of the policy we suggest deleting '*and focus of the northern part of the London – Stansted-Cambridge-Peterborough Growth Area*' as this expression has now become out of date. We recommend this will be replaced by '*serving a sub-region that covers parts of both East of England and East Midlands regions*'. We also

suggest deleting 'social, community and green infrastructure' as this may exclude other infrastructure and replace this with generic term 'infrastructure' and this should cover all forms of infrastructure. The first sentence of the policy PB1 should read as below after all the changes. It should be noted that number of jobs and the time period of Plan will also be changed.

The strategy is for growth and regeneration to strengthen Peterborough's role as a major regional centre serving a sub-region that covers parts of both East of England and East Midlands regions. Policies should seek to achieve an increase of at least [TBC] additional jobs in the period [TBC] together with strong housing growth, sustainable transport improvements and provision of infrastructure. Policies should address:

- 1.7 To the first bullet point of the policy we have added 'offices' to the list after housing and suggested deleting 'green infrastructure' as this is a confusing term especially when talking about the city centre. This to be replaced by 'greater use of River Nene as a recreation and transport asset'. The first bullet point will read as follows after all the changes.

development of the city centre to provide an improved range of services and facilities including retailing, housing, offices, leisure, cultural and greater use of River Nene as a recreation and transport asset

- 1.8 We have suggested only minor changes to the fifth bullet point in connection with the university. Replace 'a' with 'an expanded' and added 'provision' after university. This is to reflect that university is already operating in Peterborough and we would like to expand that provision.

improving access to locally based further and higher education facilities through a strategy to establish and expand the provision of higher education and work towards the provision of an expanded university provision; and

- 1.9 A new paragraph is suggested to be added to the policy at the end. This is required to address the need for closer working arrangement with the East Midlands Region to tackle long-term transport issues.

Requirements for transport infrastructure arising from development in Peterborough and the adjoining parts of the East Midlands Region should be prioritised by the responsible regional authorities, based on the outcome of the Peterborough Long-Term Transport Strategy.

- 1.10 The changes to policy PB1 will address our sub-regional issues.

Timetable

- 1.11 The timetable for the preparation of the draft revision for submission to Government is as follows:

2 September – 24 November 2009	12 week consultation on the East of England Plan > 2031 scenarios for housing and economic growth
17 November 2009	Regional Planning Panel considers outcome of consultation to date and initial outcome of policy review work
21 January 2010 (tbc)	Regional Planning Panel workshop
26 February 2010 (tbc)	Regional Planning Panel meets to agree submission
12 March 2010 (tbc)	Regional Assembly agrees the draft revision for submission to the Secretary of State.
By end March 2010	Submission of draft revision to Government.

1.12 The timetable for the review and refresh of policy PB1 is shown below.

9 December 2009	Deadline for recommendations on policy PB1 to be sent to EERA Secretariat.
10-18 December 2009	Preparation of draft policies for consideration by Regional Planning Panel (RPP)
14 January 2010 21 January 2010	Dispatch of papers for RPP seminar RPP seminar
22 January – 12 February 2010	Opportunity to revise policies / prepare paper for RPP, and to check whether there are any consequences for policy PB1 as a result of changes to other policies.

Policy PB1 and supporting text taken from adopted East of England Plan – May 2008

Peterborough

13.71 Peterborough is a historic cathedral city and a post war new town at the centre of a sub-region which includes parts of Fenland and Huntingdonshire in the East of England and parts of East Northamptonshire, Rutland, South Kesteven and South Holland in the East Midlands.

POLICY PB1: Peterborough Key Centre for Development and Change

The strategy is for growth and regeneration to strengthen Peterborough's role as a major regional centre and focus of the northern part of the London-Stansted-Cambridge-Peterborough Growth Area. Policies should seek to achieve an increase of at least 20,000 additional jobs in the period 2001-2021 together with strong housing growth, sustainable transport improvements and provision of social, community and green infrastructure and should address:

- development of the city centre to provide an improved range of services and facilities including retailing, housing, leisure, cultural and green infrastructure;
- the regeneration of the city centre and inner urban areas so as to realise the potential of the centre's historic heritage and promote quality in the built environment;
- delivery of a significant and sustained increase in housing;
- seeking to attract investment in sectors of the economy with scope for expansion such as knowledge based industries, public administration, retail and leisure services and environmental industries, building on its credentials as an environment city whilst also supporting important existing sectors, such as food processing;
- improving access to locally based further and higher education facilities through a strategy to establish and expand the provision of higher education and work towards the provision of a university; and
- providing improved transport choices within the urban area and between the city and its hinterland.

13.73 The strategy recognises that Peterborough's influence extends over a wide geographic area, and seeks to further develop its role as the principal commercial, retail and service centre for the north-western part of the East of England and adjoining areas of the East Midlands. It builds on Peterborough's potential for sustained long term growth, its strategic location and relatively unconstrained development opportunities.

13.74 Opportunity Peterborough, the Urban Regeneration Company for the city, is leading the regeneration of the city centre and is well placed to play an important role in stimulating and assisting housing and economic growth.

13.75 Co-operation is required across regional and local boundaries to ensure the mutual compatibility of policies in local development documents and co-ordinated monitoring. The framework for the city looking well beyond 2021 should be considered through the review of the RSS.

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