

# Executive

## UPDATE ON THE GOVERNMENT'S ECOTOWN PROGRAMME

6 July 2009

### Report of the Head of Planning and Affordable Housing Policy

#### PURPOSE OF REPORT

To update the Executive on the Government's ecotown programme.

This report is public

#### Recommendations

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That Executive note the report and consider any decision issues that arise (further information may be available by the time of the meeting).

#### Report

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##### 1. Planning Policy Statement (PPS) and List of Eco Town Locations

- 1.1 A Government decision is expected in mid July. There has been a clear statement from Department of Communities and Local Government (CLG) that there will only be one eco town location for Cherwell. It is hoped that the Council's hard work in promoting an alternative to Weston Otmoor will be reflected in selection of NW Bicester as an eco town location listed in the PPS. With the decision imminent it is important to be able to move quickly in response. Thus some preparation thinking is in hand. This is explained below.
- 1.2 If the Government decision is to select Weston Otmoor the Council remains prepared to continue local opposition. The only remaining route would be legal challenge to the PPS.
- 1.3 The decision on the PPS may create a national policy designation opening the way to early progress on an outline planning application. It is expected that the PPS will be accompanied by a full statement of the Government's decision rationale. This will be important in respect of possible future pressures to develop in locations that have been rejected. The Council has written to CLG requesting clarification on some of the practical planning procedure issues that will arise from a PPS decision to designate specific eco

towns locations (in particular the Government approach to development plan call in procedures).

- 1.4 There is now some emerging private sector landowner / developer interest in the NW Bicester eco development concept (see below). Should NW Bicester be selected, plans are in hand to hold a CLG supported local “launch” seminar with private development interests and public sector bodies. The aim will be to consider what needs to be done to promote the development opportunity and deploy all available eco - expertise. At an appropriate stage, and depending on progress in discussions with potential development partners, this work could be linked to wider public consultation within the Bicester area and creation of opportunities to incorporate the views of local residents on the form of the development. A particular idea will be to explore the idea of starting off with a small scale demonstrator. This could be in the form of a “show neighbourhood”.

## **2. South East Plan and Eco Towns**

- 2.1 The Government’s final SE Plan (Regional Spatial Strategy) was published in May. The Council had previously objected to the policy and related wording inserted in the draft modifications to deal with Eco Towns. The final Plan includes a continued reference to eco towns and specifically to Weston Otmoor. The wording has changed from an instruction that future review should “test” eco town proposals to “facilitate” (which appears more prescriptive). However, immediately after publication Government Office wrote to affected planning authorities saying that the change was an administrative error! The policy wording and confusion over the error is leading to a consideration of legal challenge in some quarters. From Cherwell’s point of view, given our support for a PPS that includes NW Bicester, such action on the SE Plan would not be appropriate. Our attention should be focused on the final PPS, where there will be ample opportunity for challenge if the content does not support local planning objectives.

## **3. The NW Bicester Concept Study (Halcrow)**

- 3.1 The Study was published and submitted to government as a draft. This was because the work had been undertaken to a short timetable and areas of refinement and further work were still to be addressed. Additional work has now been completed on:
  - Transport modelling and conclusions
  - Public transport corridor (fast link from the new eco development to Bicester North station)
  - Development economics and viability
- 3.2 This work is being incorporated in a Final Report. Publication will be timed to co-incide with the Government announcement of its PPS decision.

## **4. Government Response to Ten Point Plan for Bicester**

- 4.1 CLG has responded positively to the Council’s ten point plan by facilitating a series of high level meetings with Government departments, agencies and partners. The agenda is to improve support for future sustainable growth of Bicester. Meetings held or planned are:

- Housing focus (Homes and Communities Agency – HCA - and RSLs)
- Transport focus (Department of Transport / Highways Agency / rail interests)
- Delivery agency support and mechanisms
- Specialist eco development partners

## **5. Private Sector Development Interest**

5.1 There is now an emerging private sector development consortium with significant funding and a strong consultancy team (with impressive eco-credentials). Initially land assembly (options) are being explored for the area north of the railway. There is a long way to go to consolidate this interest, but the speed with which the initiative has developed is very encouraging. CLG are aware of this interest and further information is being provided by the developers to aid the Government decision process. More public information will become available shortly and this will be cross referenced to the expected Government announcement.

## **6. Public Sector Delivery – Partnership Arrangements**

6.1 To successfully implement an urban extension of this scale and to achieve the eco town standards is a major challenge for the public and private sectors – in terms of partnership, investment and regulation. Two essential delivery mechanisms are needed:

- A dedicated and effective public sector organisational partnership between all the key bodies. The partnership must hold appropriate powers and resources
- A form of legal agreement with the private sector development partner or partners. This will be based on a planning agreement, but could involve elements of land ownership and control

6.2 This issue is currently under consideration with CLG and HCA. Some form of dedicated technical unit will be needed to give capacity for the task. Strong, long running political ownership and leadership will also be necessary. The County Council will need to be directly involved as Highway Authority and as a major service provider. There will also be a role for the Town Council and Bicester Vision. The position of landowners and developers will also be crucial to the final arrangements. There is be a need for further detailed Council consideration of, and reports on, this, as there are important constitutional and budget issues arising. It may be possible to provide some further introductory information in time for the meeting.

## **7. Background Information**

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7.1 The Council's website has been developed with a front page eco towns banner giving easy access to all the background reports on the eco town process as it has evolved. Any additional information on the updates above will be posted there as soon as possible. ([www.cherwell.gov.uk/ecotowns](http://www.cherwell.gov.uk/ecotowns).)

## **8. Key Issues for Consideration/Reasons for Decision and Options**

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- 8.1 This report is not presented for decision, though, if further information becomes available before the meeting, Executive may wish to make decisions on some matters arising.

## **9. Consultations**

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- 9.1 The issues raised in this report have not been subject to consultation, but they give rise to a number of matters the council will need to consult locally on in due course.

## **Implications**

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### **Financial:**

The Council's response to the Eco-Towns process is currently being accommodated within existing staff and financial resources.

Specifically in relation to the North West Bicester proposal, the Council agreed at the Executive on 1<sup>st</sup> December 2008 to commission consultancy work to inform its submission to the draft PPS consultation. This is the "Halcrow report" which is referred to in this report. CLG has reimbursed for the costs of commissioning this work.

Future resource/cost implications arising from decisions on this report are potentially very significant for the Council and would need to be the subject of further reports as the eco towns process develops. Significant Government support will be required to create the planning and implementation capacity required to achieve a successful outcome on eco towns. Note also the comments below on risk.

Comments checked by Eric Meadows, Service Accountant 01295 221552.

### **Legal:**

There are no significant legal issues associated with the Council's ongoing involvement in the Eco-Towns appraisal process. However, there would be significant legal costs associated with the pursuit of a legal challenge to the Government's emerging policy if a decision is taken to challenge this process.

Some potentially complex constitutional issues arise from any new partnership delivery arrangement.

Comments checked by Pam Wilkinson, Principal Solicitor 01295 221688.

## **Risk Management:**

The eco-town programme poses a significant risk to the council's commitment to prepare its Local Development Framework and in particular the Core Strategy. The reasons for this are that:-

1. Currently significant officer resources are being diverted from LDF preparation to the eco-town programme. This has been to ensure that the Council is adequately represented in all key discussions and technical groups relating to eco-towns. The commissioning and subsequent management of the Halcrow report have also involved significant officer time.
2. The possibility of an eco-town in the district has made it impossible to know with certainty what will be the final level of house building in the district over the period to 2026. The Government has at no time properly clarified how eco-towns will sit alongside other housing requirements made through the "normal" planning process (in our case through the South East Plan). Until this is resolved, it would be difficult for the Council to consult meaningfully with the public on likely locations for growth across the district and build upon the work undertaken last Autumn in the "Options for Growth" public consultation.

The Council is responding to these risks as follows:-

1. It is ensuring that it engages fully with Government at all times, and continues to ask for clarity over the relationship between the LDF and eco-town programme.
2. It has reached agreement in principle with Government that CLG will make a financial contribution to offset the officer time and other resources which the Council has had to divert to the eco-town programme since the proposal at Weston Otmoor was first proposed. This would provide additional funding to support the LDF to help offset the necessary reductions in 2009/10 budgets for consultancy support on this type of work.

It should be noted that if an eco town development is to proceed in Cherwell there will be many future implementation and resource risks for the Council. Issues arising would need to be considered in depth as part of future decisions on implementation arrangements.

Comments checked by Rosemary Watts, Risk Management & Insurance Officer 01295 221566.

**Efficiency Savings**

None arising from this report.

Comments checked by Eric Meadows, Service Accountant 01295 221552.

**Wards Affected**

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**Ambrosden and Chesterton, Caversfield, Bicester West and Bicester North directly, but impact on whole District and sub region.**

**Corporate Plan Themes**

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**Cherwell: A District of Opportunity, A Cleaner, Greener Cherwell and A Safe and Healthy Cherwell.**

**Executive Portfolio**

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**Councillor Michael Gibbard  
Portfolio Holder for Planning and Housing**

<b>Report Authors</b>	John Hoad - Strategic Director Philip Clarke - Head of Planning and Affordable Housing Policy
<b>Contact Information</b>	01295 227980 <a href="mailto:john.hoad@cherwell-dc.gov.uk">john.hoad@cherwell-dc.gov.uk</a> 01295 221840 <a href="mailto:philip.clarke@cherwell-dc.gov.uk">philip.clarke@cherwell-dc.gov.uk</a>