

# **Single Spatial Strategy for Coventry and Warwickshire**

## Outline Business Case

July 2016

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**Client**  
Coventry and Warwickshire authorities and CWLEP

13 July 2016

# Executive Summary

1. As part of the Growth Deal for Coventry and Warwickshire in March 2014, a commitment was made to move towards a single spatial strategy (SSS) for the sub-region.
2. This OBC starts the process of thinking around the development of a joint planning framework for the CWLEP area. It presents a clear strategic, economic and financial case for advancing towards the development of a statutory SSS.
3. The proposed Single Spatial Strategy would be a strategic planning framework to guide future development across the CWLEP area. This could include establishing the overall scale of housing and employment land required and how this would be allocated across the component authorities, monitored and reviewed.
4. It is considered that this approach would address many of the more controversial strategic and cross-boundary aspects of the current round of local plans and enable a clear spatial planning framework to be advanced, as a valuable single reference point for the community and development industry alike, and to set the context for each authority to progress detailed site allocations and local policy documents. . It can also provide certainty for business investment decisions to occur in a post-Brexit economic environment.
5. The development of a single plan is likely to generate financial savings to the local authorities and serve to reduce risks associated with a failure to comply with future DTC requirements in the context of evolving spatial planning in the wider WMCA area.
6. The OBC establishes a number of clear recommendations to be considered by the local authorities and the CWLEP:
  - (a) That the Joint Committee and LEP endorse moving towards a Single Spatial Strategy for Coventry and Warwickshire as soon as all six local plans have progressed through Examination in Public (EiP)
  - (b) That, as an interim measure, a non-statutory 'interim joint plan' is produced which brings together existing adopted and emerging spatial frameworks contained in local plans and reflects existing Memorandums of Understanding (MOUs. This could be GIS-based, providing a single source of spatial allocations, designations and policy alongside the body of supporting evidence. It would not advance any new policies or proposals.
  - (c) Where it is agreed that a Single Spatial Strategy be progressed all seven Local Authorities and the LEP will prepare in parallel an Infrastructure Strategy addressing the co-ordination of Growth Fund bids, CIL, and other funding streams in order to help develop a Joint Infrastructure Delivery Plan
  - (d) That a further report is brought to a future Joint Committee agreeing the interim joint plan and following consideration of appropriate governance, working and

resourcing arrangements, anticipating a start on a Single Spatial Strategy during 2017/18.

# 1. Context

- 1.1 As part of the Growth Deal for Coventry and Warwickshire in March 2014, a commitment was made to move towards a single spatial strategy for the sub-region.
- 1.2 This involved progressing current local plans to adoption at the earliest opportunity and considering their joint review or a joint plan from 2017.
- 1.3 Turley was appointed by CWLEP in 2015 to advise on how to deliver a single spatial strategy and identified through consultation with policy officers that the key benefits were:
  - (a) The ability to provide an overarching spatial strategy with long term vision to match the ambition of the SEP
  - (b) The coincidence of geographic coverage with the Housing Market Area (HMA) and travel-to-work area (TTWA) which enables spatial imbalance to be addressed
  - (c) The need for a coherent investment framework to underpin strategic infrastructure decisions and funding bids, and to give confidence to business
  - (d) The need for spatial options to be comprehensively assessed in terms of sustainability on a 'larger than local' basis (particularly where there is a need for Green Belt review)
  - (e) The fact that there is now a strong joint evidence base which can be used to maximum effect by planning at a strategic level
- 1.4 Their report recommended a statutory joint plan, covering strategic housing, employment, infrastructure and environmental considerations. This could be prepared by enhancing existing governance arrangements with pooled resources including support from the LEP. A proposed timetable was set out to capitalise on the joint evidence base prepared in support of the local plans. This report is attached at Appendix 1 for reference.

## **Progress since December 2015**

- 1.5 The local authorities have continued to make progress on local plans through the agreement of a Memorandum of Understanding (MoU) on the distribution of the HMA shortfall, and a similar agreement is shortly to be reached on employment land. Three examinations have or are taking place during 2016 in Stratford, Coventry and Warwick. All authorities expect to adopt their plans during 2017 or at the latest into early 2018.
- 1.6 The CWLEP has produced its draft Strategic Economic Plan refresh (April 2016) and the newly established WMCA has just published its SEP (Marking our Mark) in June 2016.

## 2. Reasserting the Rationale for a Single Spatial Strategy

- 2.1 In this changing context, there are still strong reasons for moving towards a Single Spatial Strategy (SSS).
- 2.2 The Government has actively encouraged working together more effectively where housing needs are greatest (Productivity Plan and Ministerial Statement, July 2015) and has promised strengthening of guidance on how the Duty to Co-operate (DTC) works. More formalised joint working is starting to be seen as the best way to embed the DTC and, from the Government's perspective is preferable to having to intervene in local plans as they have threatened to do, given that the most contentious issues delaying progress are almost exclusively about housing and the Green Belt.
- 2.3 A Single Spatial Strategy would be a strategic planning framework to guide future development across the CWLEP area. This could include establishing the overall scale of housing and employment land required and how this would be allocated across the component authorities, monitored and reviewed. It could provide a strong planning framework to inform business investment and development decisions as well as providing certainty to local communities.
- 2.4 It would replace or supersede strategic policy in all Core Strategies for participating authorities but there would be an ongoing role for detailed Site Allocations and Development Management policies to be produced locally.
- 2.5 In the way that governance arrangements are established, there could be the power of veto for each local authority in order that no strategic allocation can be imposed upon it.
- 2.6 The development of an SSS for Coventry and Warwickshire will also be important in providing a counterpoint to the future evolution of joint strategic planning for the Black Country and Greater Birmingham & Solihull, noting that these have progressed at a considerably different pace. The continued progress of these 'plans' would mirror the three LEPs and could form the basis of a coordinated strategic planning framework across the West Midlands Combined Authority area as required in the devolution deal (para 43) and addressed in para 4.2 of the WMCA draft constitution. Indeed having three broadly equivalent existing strategic plans would obviate the need or demand for a WMCA-wide plan at some future stage.

### **The Purpose of the Outline Business Case**

- 2.7 This OBC starts the process of developing the thinking around a SSS for the CLWEP area. This includes a review of the rationale for the preparation of the SSS and therefore its scope as well as the governance arrangements required for its delivery.
- 2.8 The OBC sets out the headline economic and financial case for its preparation. This is intended to inform discussions and decision-making by the Local Authorities and the LEP as to the next steps in the decision to progress an SSS.

## Overview of Options

- 2.9 The Coventry and Warwickshire authorities have the following broad options:
- (i) To pursue a statutory Joint Plan (aka SSS) replacing strategic policies in current local plans
  - (ii) To prepare a non-statutory Joint Planning Framework which provides evidence-based guidance for future local plan reviews
  - (iii) To maintain the status quo of broadly aligned local plan preparation, based on a shared evidence base and underpinned by MOUs on cross-boundary matters
- 2.10 The table in Appendix 2 sets out the advantages and disadvantages of each to present a high level review of the options.
- 2.11 It is apparent from this review that there are risks associated with maintaining the status quo with regards to the scale of resource likely to be required and the potential challenges that could be faced in ensuring compliance with the Duty to Co-operate across a series of local plans. The preparation of a non-statutory Joint Planning Framework would overcome the absence of a single strategic spatial vision for the area but would provide limited weight to ensure this vision was delivered. It would equally be unlikely to generate any significant resource / financial savings with the need for strategic statutory Local Plans for each of the local authorities alongside the Joint Plan maintained.
- 2.12 Preparation of a single statutory Joint Plan (SSS) would maintain the benefits of a single strategic framework but also ensure that the authorities are committed and empowered to its joint delivery. The removal of the need for individual strategic policies to be generated through Local Plan reviews would also offer the potential for a significant efficiency saving to be achieved in terms of resources deployed and financial outlay.
- 2.13 It is therefore recommended that whilst both a non-statutory and statutory version of the SSS could continue to be considered the advancement of a statutory plan has considerable advantages.
- 2.14 The structure of the OBC is as follows:
- A two stage approach to preparing the SSS
  - Economic case
  - Financial case
  - Recommendations
- 2.15 The development of the OBC builds on previous advice prepared by Turley in the form of a Project Plan to deliver a SSS for the sub-region (Appendix A).

2.16 In developing this OBC Turley have provided 'critical-friend' advice to CWLEP and the Coventry & Warwickshire authorities, offering no view on how or where the sub-region should be planned in terms of the quantum or location of growth.

## 3. Producing the Single Spatial Strategy

- 3.1 Given the current progress of local plans, and the momentum behind joint working, it is proposed that the Coventry and Warwickshire Single Spatial Strategy is moved forward in two stages.
- 3.2 The first would be to produce an interim joint spatial planning document, amalgamating all six current local plan strategies and strategic allocations into one place, with their underpinning and largely joint evidence base. Clearly, these plans are all at different stages of preparation so this will be a 'living' document. The intent is for this to be done quickly.
- 3.3 The second stage would be to develop the governance and working arrangements and allocate resources to commence a joint plan-making exercise in 2017/18. The output of this process would be the preparation and adoption of Single Spatial Strategy (SSS) for the CWLEP area.
- 3.4 The purpose of this section of the OBC is to provide clear information so that the Interim Joint Spatial Plan and the SSS can be distinguished in terms of purpose, scope and status.

### **Stage 1: Production of an Interim Joint Spatial Plan**

#### **Rationale**

- 3.5 The purpose of an interim joint spatial plan ('interim plan') would be to bring all policy together in one place, both to better appreciate the overall spatial strategy for Coventry and Warwickshire, putting it on a similar footing with the other two sub-regional initiatives, and to provide investors and businesses with a single portal through which to understand where development and infrastructure is being directed.

#### **Scope**

- 3.6 The interim plan would not take the form of a separate 'policy document' but would rather be illustrated through plan-based GIS offering digital access to existing policy and evidence based documents. Essentially this would provide an interactive layering of existing strategic spatial diagrams and associated policies including identified key strategic sites, infrastructure investment and spatial planning designations (e.g. Green Belt). This would therefore reflect the existing Memorandum's of Understanding (MOUs) regarding the scale and distribution of housing and employment provision.
- 3.7 The interim plan would be an amalgamation of the individual statutory Local Plans and would itself be non-statutory. It would, on this basis, provide an up-to-date cohesive source of information for understanding the strategic planning context of the area.
- 3.8 The direct integration of emerging and adopted Local Plan policies means that it would not affect current plans or the sovereignty of plan-making. This would involve no change or decision affecting any spatial policy in the area as a consequence.

## **Working Arrangements**

- 3.9 The interim joint plan could be hosted on each of the local authorities respective websites with a weblink to the CWLEP Growth Hub.
- 3.10 Further consideration needs to be given to the resourcing of the interim joint plan. It is considered that there are two potential options in this regard:
- utilisation of the capacity of planning officers currently working on the preparation of individual Local Plans in each of the authorities. Maintaining and updating the GIS layers of the plan would be the responsibility of these designated officers with the Planning Lead Officer of each authority having designated powers to sign-off updates. There may need to be a small input of consultancy time to design and implement a single digital platform, including GIS capabilities; or
  - a new fixed term contract position or consultancy commission is created with the responsibility for the preparation of the interim joint plan. This role would be temporary in nature with a fixed contract period and would require the individual or consultancy to liaise with officers from each of the authorities to obtain and represent the required information. This position could be filled by an existing officer within the authorities on secondment or be externally appointed and would represent a fully funded new and independent position. The role would involve managing any external consultancy support required in relation to technical aspects as noted in the option above.

## **Programme**

- 3.11 It is anticipated that a full draft of the interim joint plan could potentially be prepared for review and sign off by November 2016. A decision would be taken as to the timing of the issuing of this interim plan for an external audience to co-ordinate with the progress of the current round of Local Plans.

## **Stage 2: Production of a Single Spatial Strategy**

### **Rationale**

- 3.12 The rationale for the SSS has been established earlier within this OBC. Essentially the SSS provides the opportunity to ensure compliance with the NPPF's duty-to-cooperate and provide a single basis for spatial planning within a functional geographic area over a longer-term horizon than the existing round of Local Plans.
- 3.13 Given that the Black Country Core Strategy is a statutory joint plan and the Greater Birmingham and Solihull Spatial Plan for Growth is intended to be non-statutory means that both options are open to Coventry and Warwickshire. However, as set out in the rationale for the SSS, a statutory plan would in Turley's view carry greater weight and could involve time and cost savings to subsequent local plan-making exercises.
- 3.14 This section of the OBC considers the scope of the SSS further and the process required to be undertaken for its preparation. This considers the governance and working arrangements (management) that are required to deliver the SSS. The section concludes with a draft programme for development of the SSS.

## Scope

- 3.15 The Single Spatial Strategy will present a single strategic planning framework to guide future development across the CWLEP area.
- 3.16 The anticipated scope of the document would include:
- A vision for the sub-region and its relationship with adjoining areas, particularly other parts of the WMCA area
  - The economic growth ambitions that underpin the spatial strategy including those arising from the WMCA and CWLEP Strategic Economic Plans
  - The overall scale and distribution by authority of strategic housing land requirements
  - The overall scale and distribution by authority of strategic employment land requirements
  - An infrastructure strategy to support economic growth and strategic development allocations
  - An overview of environmental and other development constraints
  - proposals for monitoring and review.
- 3.17 Upon adoption, the SSS will replace the strategic policies of the individual authority Local Plans within the CWLEP. If a statutory plan is pursued, this will have implications for the review of local plans as the higher level strategy and strategic allocations would be contained in the SSS as in the case of a Core Strategy. It would be important for each local authority to have a power of veto over the agreement of the SSS in order to avoid the sense of a loss of sovereignty. This would be in common with other statutory joint plans where full agreement is needed.
- 3.18 Local Plan reviews could then become Development Management and Site Allocations DPDs, as exist in a number of authorities which previously separated out a Core Strategy element of their plans. These would still be statutory plans to be progressed and adopted by individual authorities but would be subservient to and indeed would need to conform with the SSS.
- 3.19 If non-statutory, this would be an advisory plan only and local plan reviews would need to go through the full process, albeit supported by a joint evidence base and mutually agreed requirements. A series of MOUs would probably be required for examination purposes to ensure that commitments between authorities were honoured. Turley believes this is undesirable as there would be limited benefit in the effort required to produce a non-statutory joint plan coupled with the complexities of delivering under these arrangements.
- 3.20 With a Single Spatial Strategy, it might also be possible to consider a single joint CIL charging schedule for the wider area, providing consistency and clarity and linked to an

overarching Infrastructure Strategy and high level IDP, albeit with variable charging levels.

- 3.21 Currently the individual Local Plans / Core Strategies of the authorities are required to have a 15 / 20 year time horizon in order to comply with the NPPF. The time horizon for a Single Spatial Strategy would extend the current local plan periods which roughly run to around 2030 by a further 5 or even 10 years. This would take the current plan strategies and allocations as a starting point and look ahead to creating a vision for the sub-region in 20 to 25 years' time. A joint plan prepared and examined by 2020 would need to have a time horizon of at least 2035 and preferably 2040. This time horizon will represent an important opportunity to identify strategic growth locations / allocations across the sub-area to respond to delivering the overarching vision.
- 3.22 There would of course remain DTC issues with adjoining areas to be addressed, most significantly with the Greater Birmingham HMA in which two Warwickshire authorities sit. Equally, the role of Hinckley and Bosworth would be subject to the DTC with the new Leicester and Leicestershire Strategic Growth Plan and Combined Authority.
- 3.23 The production of a stand-alone single spatial strategy (SSS) will follow the NPPF steps for the preparation of a Local Plan document. It would be prepared as a joint initiative between all seven authorities, including the County Council. The CWLEP would have an advisory role in its preparation.
- 3.24 The preparation of the SSS will therefore, assuming a statutory plan is pursued, include the following steps. Each of these stages will be accompanied by a process of public consultation:
- Outline options for the scope / content of the SSS
  - Draft SSS establishing a proposed scale / distribution of housing and employment land required including implications for Green Belt boundary changes
  - Pre- Submission Draft
  - Submission Draft and EiP
- 3.25 The decision to undertake a non-statutory plan would negate the need for the same level of public consultation and an external examination. However, there would be costs associated with preparing such a plan and virtually none of the savings for individual plan reviews which would be prepared and examined separately.
- 3.26 The authorities already have a track record of collaboration to prepare joint evidence base documents. This work will present a robust base from which to progress the SSS. A number of additional aspects of the evidence base are anticipated to be required. It is assumed that these will be commissioned to be provided by external providers albeit elements could be undertaken in-house where expertise and skills exist across the authorities. Additional evidence base documents could include:
- Further SHMA Update – The SSS will have a uniform base-date (likely to be 2016 recognising data availability) and it will be important that the NPPF compliant

OAN for housing is brought up-to-date to reflect this base-date and to take account the latest available datasets and guidance;

- Economic Demand Assessment – In common with establishing an updated housing need position it is important that in parallel the economic evidencing of the need for employment land is updated to reflect a common base-date and the latest available datasets. Full consideration would need to be given to the alignment of the SEP to the evidence based position to ensure alignment (to the extent that its time horizon can be extended);
- Sustainability Appraisal – A new SA would be required for the SSS to ensure it passes the tests of soundness. The scope of the SA would need to be established at the beginning of the process and undertaken in iterative stages as spatial options are considered. This would need to include a consistent approach to developing the settlement hierarchy to enable the sustainability of settlements in different parts of the sub-region to accommodate growth, and a further review of the Green Belt evidence to consider the contribution of Green Belt release as a potentially 'reasonable' alternative to other spatial distribution options;
- Strategic Infrastructure – Updating of the current headline infrastructure study to provide a rigorous assessment of the need for physical, social and green/blue infrastructure to support the levels of development and broad locations of growth. This will draw on evidence from beyond the sub-region, incorporating the West Midlands Combined Authority's strategic transport plans and Midlands Connect. This will need to take into account the implications of HS2.

### **Governance and Working Arrangements**

- 3.27 A first step in establishing the required governance arrangements will be the progression of a collective decision to move from a system of individual local plans operating under the Duty to Co-operate, with two Memoranda of Understanding on distributing sub-regional allocations for housing and employment, to a joint plan-making process under the governance of the Coventry & Warwickshire Joint Committee. This would be designed to satisfy the requirement in the Devolution Agreement 2015 to coordinate strategic planning across the area.
- 3.28 Similar arrangements are in place in other areas preparing joint plans including the adjoining Leicester and Leicestershire Strategic Growth Plan which is underway as a non-statutory plan, and two statutory joint plans for the West of England (including Bristol) which was out for consultation late last year, and South West Devon (including Plymouth), which is about to commence. Two of these areas are to become Combined Authorities. It is of note that even within Oxfordshire, where the local authorities cannot agree on a joint plan, a Strategic Growth Board has been established at which cross boundary DTC issues are discussed.
- 3.29 The Coventry & Warwickshire's Joint Committees terms of reference would be re-considered and updated to reflect the following responsibilities:
- (a) Advise and make recommendations to Council Cabinets or Executives working with existing scrutiny functions within each respective Council, including

recommendations to individual authorities to endorse/agree all draft stages and final adoption of the SSS;

- (b) In accordance with Section 110 of the Localism Act 2011 (the Duty to Cooperate), oversee and collaborate on sub-regional planning and development issues;
  - (c) Collaborate in delivering the levels of growth proposed through the authorities adopted Local Plans and support the development of the Single Spatial Strategy; and
  - (d) Oversee relationships with other agencies such as the Homes & Communities Agency to support the delivery of new housing and employment land and share and implement best practice.
- 3.30 The next step would be to consider what working arrangements would need to be put in place for a Single Spatial Strategy to be developed.
- 3.31 This would need a member level working group to oversee and sanction plan-making activity (which already exists in respect of the MOUs) and a technical officer working group (or joint planning team) to commission and undertake evidence base and policy development work (which already exists in the form of CSWAPO which functions as the Duty to Cooperate Group). This may require semi-permanent staffing and agreement between the authorities on the proportion of their own officer time that can be dedicated to joint working (again as already exists in respect of evidence base and MOUs). The Warwickshire CEOs/Lead Officers Group (including Coventry) could also perform a bridging role and CWLEP could provide resource through the Growth Hub and facilitate a semi-independent 'home' for any joint working resource.
- 3.32 The importance of infrastructure will require the full involvement of Warwickshire County Council even though they are not currently a local planning authority but support each in preparing their Infrastructure Delivery Plans (IDPs). A comprehensive new Infrastructure Strategy underpinning the Single Spatial Strategy would be a powerful tool alongside the SEP. This would also have a wider use in the development of a separate joint IDP to co-ordinate infrastructure funding and projects.

## **Programme**

- 3.33 Turley previously recommended starting work on the SSS during 2016 alongside the local plan examinations using freed up resources to capitalise on the currency of the joint evidence base. However, assuming greater resource would be available once the current crop of local plans is adopted by mid-2017, work could get underway on the scoping of a joint plan in the second half of 2017 so that by the time of the final plan EiP hearings being completed (assumed to be Nuneaton and Bedworth in early 2018), an Issues and Options Consultation could be published in the spring of 2018.
- 3.34 A full Draft Plan would be published by the end of 2018<sup>1</sup> with consultation extending into early 2019. The draft Plan would be submitted for examination in summer 2019 with the

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<sup>1</sup> This timetable would enable the draft Plan to reflect the anticipated release of a further set of Population and Household projections anticipated for release in April – July 2018 in the key related evidence base documents.

examination held no later than winter 2019. This would enable the SSS to be adopted by spring 2020.

### **The Economic Case**

- 3.35 A central part of the rationale for the preparation of a SSS is to provide a clear spatial framework to which businesses and industry can relate and gain certainty from which to elevate confidence in their decision-making.
- 3.36 The SSS would provide a fully integrated approach to land use planning and economic development within the HMA and Functional Economic Market Area (FEMA).
- 3.37 It is apparent from the WMCA SEP and the draft CWLEP SEP refresh that there is significant ambition for future economic growth in a range of sectors beyond that established through existing Local Plans. The WMCA SEP is intended to complement and support the three individual SEPs rather than replacing them, but proposes a level of economic additionality. The SEP asserts that it will deliver 49,000 more jobs than originally predicted in the three LEP plans by 2030 alongside an additional £7billion Gross Value Add (GVA). The result is therefore an ambition to create 504,000 jobs by 2030 across the WMCA, supporting an additional 32,000 population. This will have spatial planning implications for which the SSS will be critical in addressing in a sustainable manner.
- 3.38 The process of developing the SSS presents an important opportunity to consider issues of spatial strategy and development distribution. It will also allow consideration of where the next generation of strategic housing and employment sites are required to accommodate need and demand beyond the strategic sites identified within the existing and emerging Local Plans. The location and scale of these sites can only be considered and planned for at the wider functional geography with this also having implications for future infrastructure requirements and investment. The same strategic approach would be more challenging in the absence of the SSS with individual LAs progressing Local Plan reviews to different timetables against different objectives. There are also advantages to the spatial distribution of development being subject to a single integrated Sustainability Appraisal, rather than a multitude of individual appraisals.

### **The Financial Case**

- 3.39 On the basis of information submitted for consideration as part of the OBC<sup>2</sup> it is anticipated that the costs associated with preparation of the SSS would be offset by individual Local Plan review and examination cost savings.
- 3.40 The first stage of work to prepare an Interim Joint Plan (amalgamation of existing local plan mapping layers) could be undertaken cost effectively drawing upon existing officer time / resources and a nominal consultancy budget for GIS set up purposes depending upon the approach taken. The creation of a separate post to undertake this work would increase the anticipated budget but would remain comparatively affordable recognising contributions from each of the authorities. The on-going monitoring and update of the

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<sup>2</sup> Each of the LPAs submitted cost information associated with preparing their current Local Plans within a common data collection template to enable comparisons to be made and the construction of a collective picture.

Interim Joint Plan would be anticipated to last no more than 18 months recognising that within this timetable all of the Local Plans are likely to be adopted. These costs would be absorbed into existing joint monitoring arrangements.

- 3.41 The second stage of works would evidently be more involved and represent the preparation of a new joint Plan.
- 3.42 Currently, the six Coventry and Warwickshire Local Planning Authorities have 29 members of staff (full time equivalents) engaged in policy and plan preparation, at an annual salary cost of £1.26m.
- 3.43 Information prepared for this report suggests that over the five years since 2011, the six authorities have spent approximately £2.4m on the commissioning of evidence base to inform plan preparation. A further spend of £405,000 is anticipated on evidence base aspects of plan making for those authorities whose plans have not been adopted to date. This presents a likely total of approximately £3m spent on evidence base production alone.
- 3.44 In addition to the preparation costs associated with evidence base preparation the authorities have spent or budgeted a total of just over £1m on EiP costs including legal support.
- 3.45 The total costs associated with the preparation and adoption of the individual plans, excluding staff costs, is therefore in the region of approximately £4m. With the inclusion of staff costs over the last five years the total cost is closer to £9m (based upon annualised full staff costs)<sup>3</sup>.
- 3.46 Where joint plan making arrangements are already in place, it is evident that cost savings have been a contributory factor. Whilst each of the local authorities are anticipated to have a Local Plan adopted or externally examined prior to the commencement of the SSS these Plans would require future review and updating to respond to changing market and economic factors, including and not least the WMCA SEP.
- 3.47 Turley estimates that a Single Spatial Strategy might cost 25% of the estimated total cost of the preparation of six separate full reviews of local plans, excluding staff costs based on a review of joint plans currently being produced in England. This would equate to a budget of circa £750,000 for the plan's development and an additional allowance of approximately £250,000 associated with the plan's examination (noting this would not be required if a non-statutory plan was progressed<sup>4</sup>).
- 3.48 Preparation of the SSS does not obviate the need for Development Management and Site Allocation DPDs, but the officer time and examination time required would be substantially reduced compared to full local plan reviews. This budget estimate does not

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<sup>3</sup> Note: these costs are based upon information provided by the authorities. Turley have a number of concerns around the comparative nature of the costs data provided and would welcome a further review of this information by the Councils prior to the OBC being finalised.

<sup>4</sup> These budget estimates have been based on considering comparators. For example it is understood that £500,000 has been allocated by Leicester and Leicestershire for the 2 years 2016-18 (excluding examination), whilst South West Devon estimates a joint examination will cost £230,000. At a larger scale, the Greater Manchester Spatial Framework is costing circa £780,000 to develop over three years from 2014-17, excluding costs associated with Examination.

take into account costs associated with staff time although it would be anticipated that further potential time savings would be associated with the preparation of the SSS as opposed to a further review of 6 plans. It is noted that authorities vary in the proportion of their officer time engaged solely on local plan preparation as opposed to other policy work.

## 4. Recommendations

- 4.1 The OBC presents a clear strategic, economic and financial case for advancing towards the development of a SSS for the CWLEP area.
- 4.2 This approach would address many of the more controversial aspects of individual local plans and enable a single clear spatial planning framework to be advanced. This will form a clear framework for the future review of individual Local Plans and represent a valuable single reference point for the development industry, business investment decisions and local communities. It will also provide certainty for business investment decisions to occur in a post -Brexit economic environment.
- 4.3 The development of a single plan is likely to provide financial and time savings to the local authorities and serve to reduce risks associated with a failure to comply with future DTC requirements in the context of evolving spatial planning in the wider WMCA area.
- 4.4 The OBC establishes a number of clear recommendations to be considered by the local authorities and the CWLEP:
  - (a) That the Joint Committee and LEP endorse moving towards a Single Spatial Strategy for Coventry and Warwickshire as soon as all six local plans have progressed through Examination in Public (EiP)
  - (b) That as an interim measure, a non-statutory GIS-based 'interim joint plan' is progressed which brings together existing adopted and emerging spatial frameworks contained in local plans and reflecting the existing Memorandum's of Understanding (MOUs) into one place. This interim joint plan would not advance any new policies or proposals with this clearly established in its stated scope and purpose.
  - (c) Where it is agreed that a Single Spatial Strategy be progressed all seven Local Authorities and the LEP will prepare in parallel an Infrastructure Strategy addressing the co-ordination of Growth Fund bids, CIL, and other funding streams in order to help develop a Joint Infrastructure Delivery Plan
  - (d) That a further report is brought to a future Joint Committee agreeing the interim joint plan and following consideration of appropriate governance, working and resourcing arrangements, anticipating a start on a Single Spatial Strategy during 2017/18.

## **Appendix 1: Turley Report (December 2015)**

# **Delivering a Single Spatial Strategy for Coventry and Warwickshire**

A report for CWLEP

November 2015

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**Our reference**  
COVQ3001

13 November 2015

# 1. Introduction

1.1 We are commissioned by the Coventry and Warwickshire LEP (CWLEP) to advise on a Project Plan to deliver a Single Spatial Strategy for the sub-region.

1.2 This was to be based on our review of:

- evidence base material, which has been produced on a joint basis between all six local authorities (Coventry, North Warwickshire, Nuneaton & Bedworth, Rugby, Stratford-on-Avon and Warwick)
- the current timetable for delivery of a Single Core Strategy / Joint Review Process as agreed by the shadow Economic Prosperity Board (sEPB)
- best practice across the country

1.3 We held workshops on 11 September at the CWLEP offices in Warwick and presented to the CSWAPO group in Hinckley on 9 October. Feedback from these discussions has been taken into account.

1.4 We are providing 'critical-friend' advice to CWLEP, offering no view on how or where the sub-region should be planned in terms of the quantum or location of growth. Our task is to recommend a preferred option for delivering a Single Spatial Strategy and a project plan to identify timelines, governance and consultation requirements, risk analysis and resource implications.

1.5 The structure of this report is as follows:

- Why a single spatial strategy?
- The current timetable
- Alternative models of strategic planning
- Review of the joint evidence base as a foundation for strategic planning
- Recommendations on a preferred option and project plan

## 2. Why a Single Spatial Strategy?

- 2.1 Throughout this report, reference is made to Single Spatial Strategy, Joint Spatial Plan and Spatial Framework, but these should be regarded as largely interchangeable. There is no statutory definition for this type of planning document.

### Background

- 2.2 For the benefit of non-planners on the LEP, the statutory plan for an area is now made up of the Local Plan and Neighbourhood Plans, adhering to the guidance in the NPPF and associated Planning Policy Guidance (PPG). The old upper tier of Regional Spatial Strategies has been swept away in the pursuit of localism but, increasingly, participants on all sides of the planning process agree that some form of 'larger than local' strategic planning is needed.
- 2.3 Local Plans are subject only to a Duty to Co-operate, requiring adjoining local authorities to address planning matters which cross boundaries by working together on outcomes which can be reflected in their individual plans. This typically involves the consideration of Housing Market Areas, Travel to Work Areas and the need for strategic infrastructure.
- 2.4 The Duty to Co-operate encourages local authorities to consider joint working and, in appropriate cases, the production of joint plans. There is a pre-history of joint plan making, particularly in the Growth Areas of the mid-2000s, such as the West and North Northamptonshire Joint Core Strategies. More recently, 'aligned' plans around Nottingham have successfully progressed to adoption in parallel.
- 2.5 The emergence of LEPs post the 2010 election has created new sub-regional entities some of which have taken a growing interest in strategic planning. From 2011, the Greater Birmingham and Solihull LEP has been working on a Spatial Plan for Recovery and Growth (SPRG) which is due to be published in draft in 2016.
- 2.6 The emergence of Combined Authority areas has also seen strategic planning powers being granted by Government, including Greater Manchester which is preparing a statutory spatial strategy under the auspices of AGMA, and South Yorkshire.

### Coventry and Warwickshire context

- 2.7 The City Deal agreed in March 2014 included commitments to progress existing local plans and establish governance arrangements by way of a Joint Committee/Economic Prosperity Board to focus on a number of policy areas including "*strategic planning at a sub-regional level*".
- 2.8 The CWLEP board agreed in September 2014 that the LEP and EPB should have clearly defined roles and responsibilities that would lead to, amongst other things: "*One Policy Plan – employment/housing allocation*".
- 2.9 The shadow Economic Prosperity Board (sEPB) agreed a process for addressing the Housing Market Area's Full Housing Requirement in November 2014 which committed to:

- (i) adopting current Local Plans “*without further delay*”
  - (ii) agreeing the scale of unmet need and a distribution between authorities
  - (iii) carrying out “*a review in the form of a Joint Core Strategy for the whole of the sub-region starting no later than 2017 to be complete by 2020 relating to a period to 2041*”.
- 2.10 This set the current timetable for working towards a single spatial strategy.
- 2.11 A year on from that meeting, there has been delay in progressing Local Plans but, importantly, the Memorandum of Understanding recently agreed between the authorities has hopefully unblocked the process and, with pressure from the Government on all authorities, momentum is gathering to adopt all plans by 2017.
- 2.12 There remains some uncertainty around governance and responsibilities, with the recent bid for Combined Authority status by the former Metropolitan Councils in the West Midlands, including Coventry, currently with Government. Only Nuneaton & Bedworth Borough Council in Warwickshire has so far agreed to join the WMCA.
- 2.13 As the bid is confidential, the only available information from the launch document in July 2015 refers to the production of an overarching Strategic Economic Plan (SEP) with the three LEPs updating their own SEPs. Midlands Connect (a transport vision for East and West Midlands) and the West Midlands Strategic Transport Plan would provide high level strategic planning of transport interventions and there would be a ‘Land Commission’ to ensure the supply of housing and employment land. There seems to be no appetite to include strategic land use planning within the CA’s powers but the recent Sheffield City Region Combined Authority deal surprisingly added strategic planning to the remit of the new authority having not formed part of earlier published proposals.

### **The advantages of a Single Spatial Strategy**

- 2.14 This report discusses in more detail the ways in which strategic planning is being done around the country in section 4, but from our review and the workshop discussions, the principal reasons why Coventry and Warwickshire should be considering a single spatial strategy (SSS) are:
- (a) The ability to provide an overarching spatial strategy with long term vision to match the ambition and reach of the SEP
  - (b) The coincidence of geographic coverage with the Housing Market Area (HMA) and functional economic market area (FEMA) or Travel to Work Area (TTWA), which enables spatial and economic inequalities to be addressed
  - (c) The need for a coherent investment framework to underpin strategic infrastructure decisions and funding bids, and to give confidence to businesses
  - (d) The need for spatial options to be comprehensively assessed in terms of sustainability appraisal on a ‘larger than local’ basis (particularly where there is a need for Green Belt review)

- (e) The fact that there is now a strong joint evidence base which can be used to maximum effect by planning at a strategic level

2.15 The Government is actively encouraging working together more effectively where housing needs are greatest (Productivity Plan and Ministerial Statement, July 2015) and has promised strengthening of guidance on how the Duty to Co-operate works. More formalised joint working is starting to be seen as the best way to embed the DTC and, from the Government's perspective is preferable to having to intervene in local plans as they have threatened to do, given that the most contentious issues delaying progress are almost exclusively about housing and the Green Belt.

### 3. The Current Timetable

3.1 The sEPB agreed a process for addressing the Housing Market Area’s full housing requirement at its meeting on 21 November 2014. As referred to in para 2.9 above, that was based on an earlier commitment to:

- *Allow all Councils to proceed to adopt Core Strategies/Local Plans without further delay*
- *Agree that the Objectively Assessed Need (OAN) for the HMA as set out in the Joint Strategic Housing Market Assessment (SHMA) is 4,004 dwellings per annum [now superceded]*
- *Agree a process and timetable for dealing with the 234 dwelling per annum shortfall compared with existing agreed distribution between authorities [now superceded]*
- *Agree to carry out a review in the form of a Joint Core Strategy for the whole sub region starting no later than 2017 and completing by 2020, but recognising the need to start earlier if required to meet housing needs from outside the HMA (such as from Birmingham)*

3.2 The timeline for the process was set out in Table 2 of the sEPB report and involved a number of key stages:

**Table 3.1: Timetable for working towards a Joint Core Strategy**

Task Stage	Timeframe
Joint Monitoring	Late 2014 onwards
Assessment of housing land capacity through a joint SHLAA methodology	Agreed late 2014
Joint Green Belt review	Early 2015
Assessment of broad spatial options	July 2015
Agreement of preferred option	Autumn 2015
Review of evidence including revised SEP	During 2016
Coordinated review process agreed	During 2016
Coordinated review of adopted local plans or preparation of a Joint Core Strategy	From 2017 to 2019

*sEPB report (Nov 2014)*

3.3 Sub-stage 12 was “research the pros and cons of “coordinated review” options drawing on experience from elsewhere”. This is the purpose of our report.

## Key Issues

- 3.4 From our review of the progress to date on the current timetable, the key issues appear to be:
- Not all members of sEPB supported the proposed Joint Core Strategy and this option was “left open, without committing”. From our workshop discussions, this is about the ‘sovereignty’ of local plans and the ability of local planning authorities to plan their own areas
  - The potential role of Hinckley & Bosworth (in Leicestershire), which is a participant in the sEPB and potentially the LEP, was to be considered but has not yet been determined
  - The shortfall from the Birmingham HMA which might need to be met in Coventry and Warwickshire has yet to be determined, although work is now underway on a distribution ‘deal’ between the 14 HMA authorities including North Warwickshire and Stratford. The outcome is likely to be known early in 2016
  - The Warwick Local Plan Inspector’s intervention in June 2015 forced a revisiting of the November 2014 agreed housing distribution with the positive outcome of the Memorandum of Understanding (MOU) agreed by the sEPB at the end of September which has won the Warwick Local Plan a reprieve.
- 3.5 The MOU is significant in our thinking as it has involved:
- Agreement of a methodology for distributing unmet housing need
  - Alignment of housing and employment needs with updated evidence
  - Confirmation of each authority’s capacity for housing to an agreed methodology
  - Agreement of a proposed distribution model, subject to the outcome of the exercise to determine Birmingham’s unmet needs
- 3.6 The other aspect of the MOU which is relevant to a Single Spatial Strategy is that two broad approaches to distribution were considered:
- (i) Spatial options – which favoured the edge of Coventry and Growth Corridors
  - (ii) Functional relationship options – based on commuting and migration patterns, which favour Warwick and Nuneaton & Bedworth
- 3.7 The sEPB favoured the latter approach as more evidential, leaving policy choices about locations to individual authorities. This goes to the heart of sovereignty in local planmaking and suggests that the District Councils are going to be reluctant for any Single Spatial Strategy to dictate spatial distribution beyond district level allocations.
- 3.8 The sEPB report recognised that the implication of not reaching agreement was that none of the local plans in the county would be found sound, and significant plan-led

development could not take place. This could risk Government intervention in plan-making as had been made clear in the Ministerial statement of July 2015.

### Current Progress on Local Plans

- 3.9 As of November 2015, the current timetable for local plans across the LEP area in date order of anticipated adoption is:

**Table 3.2: Local Plan Timetables**

Local Authority	Next Stages	Target Adoption Date
North Warwickshire	Core Strategy adopted 2014. Site Allocations DPD submitted to SofS Nov 2016	Adopted
Stratford-on-Avon	Examination resumes Jan 2016	May 2016
Coventry	Reg 19 consultation Jan 2016 Submission Mar 2016 Examination July 2016	Nov 2016
Warwick	Reg 19 consultation Feb 2016 Submission May 2016 Examination Sep 2016	Early 2017
Rugby	Reg 19 consultation May 2016 Submission Aug 2016 Examination Dec 2016	Early 2017
Nuneaton & Bedworth	Reconsultation Mar 2016 Submission Sep 2016 Examination late 2016	Mid 2017

- 3.10 All local authorities expect their local plans to be adopted by the Government's 2017 deadline.
- 3.11 Hinckley & Bosworth, whilst not part of the MOU, is expecting to begin a review of its 2009 adopted Core Strategy in mid 2017 after adoption of its Site Allocations DPD which is currently at Main Modifications stage.
- 3.12 Given that both North Warwickshire (with an adopted Local Plan) and Stratford (which should be next in line for adoption) are likely to be recipients of some of Birmingham's unmet needs, this will trigger reviews in both cases as early as 2017.

## 4. Models of Strategic Planning

- 4.1 To inform our recommended approach to joint strategic planning, we have reviewed examples from elsewhere in the country. As set out in section 2, there is no statutory definition of a strategic plan (other than the Mayor's London Plan), nor is there a preferred approach although the Planning Advisory Service offers guidance to LPAs ([http://www.pas.gov.uk/strategicplanning/-/journal\\_content/56/332612/15096/ARTICLE](http://www.pas.gov.uk/strategicplanning/-/journal_content/56/332612/15096/ARTICLE)).
- 4.2 In most cases, examples are either historic, deriving from the previous Government's Growth Agenda and therefore grounded in the delivery of former RSS policy objectives, or are emerging from more recent Duty to Co-operate arrangements and LEP/Combined Authority-driven initiatives which are still at an early stage. There is no one-size-fits-all approach, however in nearly all cases there is a history of co-operation and joint working which is less evident in Coventry and Warwickshire.
- 4.3 We have identified a number of 'models' and examples of each.

**Table 4.1: Models of strategic planning**

Model	Example
Joint evidence base with individual local plans	Oxfordshire
Joint evidence base with 'aligned' Plans	Nottingham & adjoining authorities
Formalised Joint Core Strategies	West and North Northamptonshire Black Country
New non-statutory Spatial Frameworks	Greater Birmingham & Solihull Leicester and Leicestershire
New statutory Spatial Frameworks	Greater Manchester West of England

- 4.4 There is arguably a continuum of stages or levels of strategic planning that exist from the most loose arrangements such as in Oxfordshire, where there is a joint evidence base but individual local plans are proceeding separately, through to the 'new' statutory Spatial Frameworks like Greater Manchester which is being prepared alongside the Combined Authority which will have an elected mayor with strategic planning powers from 2017. The more formalised joint Core Strategies are a legacy of having a regional tier of planning and are therefore of less relevance today but do provide a guide on governance and resourcing.
- 4.5 We are familiar with the process in Greater Birmingham and Solihull, having been involved from the outset as a private sector 'partner', however, Turley is also actively involved in Oxfordshire (acting for the City Council), the West of England (on the joint housing panel) and Greater Manchester (on behalf of a major landowner).

- 4.6 We set out in Appendix 1 a more detailed review of the key examples.

## **Lessons Learnt**

- 4.7 It is clear that the majority of successful outcomes have been through the pursuit of statutory plan approaches, be they aligned or more commonly joint, with the typical timescales being about 4 years from commissioning evidence to adoption. That is certainly the case from the current crop of 'new' statutory spatial frameworks. By contrast, Greater Birmingham's progress has been slow, awaiting the adoption of existing local plans which like Lichfield and Solihull have been delayed and, as Coventry and Warwickshire has found, the evidence has a habit of overtaking best laid plans.
- 4.8 The number of authorities involved also has a bearing on the ability to work together and build effective consensus and governance structures. Four to six authorities appears quite manageable, with the Greater Nottingham experience of an initial six thinning down to three that adopted truly aligned strategies being a useful pointer. If in the case of Coventry and Warwickshire not bringing all partners to the table, Nottingham's experience shows that aligned plans can still be delivered.
- 4.9 As experience across the East Midlands shows, where statutory arrangements have been put in place by Parliament, such as the Northamptonshire joint Core Strategies, these tend to have some longevity once established, but even those city regions which did not go down this route such as Nottingham and now Leicester, the benefits of joint working in an age of resource limitations has its appeal. These are all a legacy of the Growth Agenda policies from the mid-2000s, where Government funding incentive was available, and the push towards Combined Authorities is the current equivalent.
- 4.10 More formalised joint working is also a means of hitting the Duty to Co-operate head on, as most commentators think it is a poor substitute for proper strategic planning. Oxfordshire is an example of the DTC working at its limits, and even the West of England, which is going down a statutory route, is having to work around Bath & North East Somerset which is progressing its own plan (based on its own HMA).
- 4.11 We foresee Government continuing to encourage more formalised strategic planning arrangements as a 'localist' approach to the DTC, thereby avoiding the risk of Ministers having to intervene in local plans by 2017 and make difficult decisions. Brandon Lewis promised a review of the operation of the DTC in July but this has not yet materialised but we can expect it to draw on the historic and emerging examples of joint working.
- 4.12 Resourcing is a huge issue as we fully appreciate. Sharing of planning teams across authorities is already happening around the country and the combining of policy skills seems to us a natural way in which to get the best from and maximise the efficiency of a dwindling resource. The choice between going down a statutory or non-statutory route is probably significant here.
- 4.13 There is no doubt that the burden of scrutiny for a statutory spatial plan is far greater and requires greater resource commitment. The statutory process is far longer, albeit there may be an argument that the shorter and relatively low bar for testing a non-statutory plan shines the light much harsher on subsequent local plans. The age of evidence then becomes an issue which can trip up local plans prepared against a non-

statutory framework. By contrast, a statutory fix on housing numbers and strategic infrastructure at a sub-regional level should make local plan examinations much more about the detail of the location of development and less so the quantum.

4.14 Whilst the earlier Joint Core Strategies were substantial planning documents with broad coverage, there is a move towards the new style Spatial Frameworks being shorter and more strategic involving coverage only of:

- Strategic housing requirements at a district level
- Economic growth drivers and strategic employment land requirements (particularly for large sites or to meet sectoral needs)
- Strategic transport infrastructure required to support broad locations for growth
- Major environmental constraints and green/blue infrastructure

4.15 This provides an appropriate range of high level topics which a single spatial strategy could cover for Coventry and Warwickshire with the biggest challenge being the extent to which broad locations for growth are considered at this stage.

## 5. Review of Joint Evidence Base

- 5.1 We have reviewed the joint evidence base on which the current round of local plans in Coventry and Warwickshire is being progressed, as this would form the foundations for any single spatial strategy. Indeed, it is arguably a major advantage that there is a recent legacy of joint evidence which makes the transition to larger-than-local strategic planning easier.
- 5.2 Our review has confirmed that there exists a substantial and up-to-date evidence base covering the core policy areas which has been assembled for the LEP geography. The updating of this evidence base has been accelerated in response to the Inspector's concerns about the Warwick Local Plan and this presents an opportunity in our view to step up the work on a single spatial strategy.

### Published and Draft Evidence Base Documents

- 5.3 The recent MoU and supporting documents reference the key aspects of this jointly prepared/ commissioned evidence base which include the following:
- Updated Assessment of Housing Need: Coventry-Warwickshire HMA, GL Hearn, (September 2015, only the Executive Summary has been made available). This document was jointly commissioned by the Local Authorities.
  - Employment Land Use Study, CBRE, (August 2015). This document was jointly commissioned by the CWLEP.
  - Warwickshire, Coventry and Hinckley and Bosworth Infrastructure Development Plan (June 2015). The document has been jointly prepared by the Local Authorities.
  - Green Belt Review Stage 1 report – this was commissioned by the LPAs and is being carried out in two parts, the first dealing with Coventry, Nuneaton, Rugby and Warwick; the second will cover North Warwickshire and Stratford.
  - Local Authority Strategic Housing Land Availability Assessments (SHLAAs) following a common agreed methodology prepared by each LPA. The MoU supporting documents confirm that updates to the capacity assessments (SHLAAs) for Coventry and Rugby have been published. Stratford-on-Avon and Warwick have also undertaken further SHLAA work which has not been published to date. Nuneaton and Bedworth are currently undertaking an updating exercise to ensure consistency across the LEP area.

### High Level Review and the Emerging Translation into Policy

- 5.4 The Updated Assessment of Housing Need (September 2015) utilises the latest available demographic<sup>5</sup> and a set of economic<sup>6</sup> forecasts to project housing need across

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<sup>5</sup> 2012 Sub National Household Projections (DCLG, February 2015)

Coventry and Warwickshire and each of the individual component authorities. The analysis considers the scale of dwelling growth required to accommodate projected growth in population and ensure a balancing of labour-force and job growth at an individual authority level.

- 5.5 In deriving the recommended OAN of 4,277<sup>7</sup> dwellings per annum (2011 – 2031), the Housing Need Study provides for an additional 75 dwellings per annum to accommodate improvements to household formation rates for younger persons recognising an evidenced sustained need for affordable housing and market signals.
- 5.6 The conclusions of the Housing Demand Study (2015) have directly informed the proposed distribution of housing set out in the MoU (September 2015). The two sets of figures are directly compared below in Figure 5.1 alongside the latest adopted or draft housing requirement figures included in current Local Plans / Core Strategies<sup>8</sup>.

**Figure 5.1: Comparison of Local Plan and MOU requirements**

Local Authority	Latest Local Plan Housing Requirement (Adopted or Draft)	2015 SHMA (Sep 2015)	MOU Proposed distribution
Coventry	1,180 dpa (2011-2031) <sup>9</sup>	2,120	1,230
North Warwickshire	175 dpa (2011-2029) <sup>10</sup>	237	264
Nuneaton & Bedworth	439 dpa (2010-2028) <sup>11</sup>	502	703
Rugby	660 dpa (2011-2031) <sup>12</sup>	480	620
Warwick	720 dpa (2011-2031) <sup>13</sup>	600	932
Stratford-on-Avon	724 dpa (2011-2031) <sup>14</sup>	659	659
Total	3,898	4,272	4,408

*Source: Various Local Plans, MoU relating to the planned distribution of housing within the Coventry & Warwickshire HMA (September 2015)*

- 5.7 The supporting papers to the MoU confirm that the methodology for redistributing an identified unmet need for 17,800<sup>15</sup> homes in Coventry is based upon the strength of two

<sup>6</sup> The analysis is understood to have considered the economic forecasts which were used in the SEP (Cambridge Econometrics, 2013) and Experian forecasts of a similar vintage (2013). Updated Cambridge Econometrics Projections (2014) have also been sourced from Warwickshire County Council and used in the study.

<sup>7</sup> The GL Hearn Executive Summary (September 2015) references the OAN as 4,272 dpa. The MoU, however, references an OAN of 85,540 or 4,277 dpa over the period 2011 - 2031. Differences are assumed to be related to rounding when authority figures are summed.

<sup>8</sup> These are based on a review of the latest published Local Plan positions as of September 2015.

<sup>9</sup> The New Coventry Local Development Plan (2011 – 2031) – September 2014

<sup>10</sup> Adopted Core Strategy (October 2014)

<sup>11</sup> Preferred Options Consultation Draft (2013)

<sup>12</sup> Local Plan Development Strategy Consultation Document (2014)

<sup>13</sup> Submission Draft Core Strategy (2015)

<sup>14</sup> Proposed Modifications out for Consultation (August 2015)

<sup>15</sup> Report to the Coventry, Warwickshire and South West Leicestershire Shadow Economic Prosperity Board (Tuesday 29<sup>th</sup> September 2015) 'Memorandum of Understanding relating to the planned distribution of housing within the Coventry & Warwickshire Housing Market Area (HMA)'. Paragraph 8 confirms that the 2015 Coventry SHLAA

way commuting flows and gross migration flows which evidence the scale of functional market relationships between each of the authorities and Coventry<sup>16</sup>. These evidently represent current/ historical relationships.

- 5.8 The Employment Land Use Study identifies an objective assessment of need for employment land of between 500 and 660 hectares between 2011 and 2031 across Coventry & Warwickshire. The study recommends that the LEP identify sufficient sites to accommodate the higher end of the range. This assessed level of need is primarily associated with a projection based on historic take-up. Scenarios suggesting a lower level of need of between 353-405ha, calculated using economic forecasts<sup>17</sup> and labour-force projections<sup>18</sup>, are also presented within the study.
- 5.9 The study concludes that there is a deficiency of 330ha of employment land supply across the CWLEP area. A detailed distribution of the implied additional need for employment land by each component authority is not explicitly set out within the Employment Land Use Study. The study suggests that consideration be given to identifying additional strategic sites, ideally located within the Coventry Travel to Work Area (including Nuneaton and Bedworth). This would serve to reinforce the importance of commuting relationships in informing the distribution of housing to respond to additional job growth generated through the development of new strategic employment sites in this geography.
- 5.10 The impact of re-distributing housing growth and the provision of new strategic employment sites will evidently have an implication for supporting transport and social infrastructure. The Draft Infrastructure Plan (2015) in its current form has not sought to consider the implications of the proposed distribution of the MoU or the conclusions of the Employment Land Use Study (2015), both of which have been published after it was prepared.
- 5.11 With regards to supply the emerging comprehensive and consistent appraisal of housing land supply through the individual authority SHLAA's will provide a strong basis from which to identify shortfalls over the Plan period and potentially with regards to the phasing of supply (5 year land supply). These documents are not all in a final stage of publication and therefore it is not possible to fully appraise their content.
- 5.12 Whilst the 'Green Belt Study – Stage 1 report' again provides a useful and consistent methodology for appraising Green Belt, the implications of the distribution of housing on Green Belt release will need to be considered through subsequent stages of reporting. Assuming this is progressed, it will provide another plank of the evidence base, albeit it

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demonstrates that the City is unable to meet its housing requirement within the City boundary and that the shortfall is up to 17,800.

<sup>16</sup> Further detail of the calculation is included at Appendix 3 to the MoU Report to the Shadow Economic Prosperity Board (*ibid*)

<sup>17</sup> The analysis uses the 2013 Cambridge Econometrics forecast used within the CWLEP Strategic Economic Plan for the period 2011 – 2031 but also includes an additional 12,570 jobs associated with the Atkins 'higher-growth scenario' which aligned with the City Deal target. The alternative forecasts referenced within the 2015 Housing Need Study are not included within this analysis.

<sup>18</sup> These labour-force projections are not referenced as being sourced from the 2015 Housing Need Study or the 2014 and 2013 versions. Labour-force projections appear to have been derived using a more basic population extrapolation approach. The 405 ha relates to a mid-point range from the demographic scenarios. The upper end of the range projects a need for 570 hectares.

is understood that this is not currently being progressed to inform the current Local Plan EiPs in Stratford-on-Avon or Warwick.

## **Using the Joint Evidence Base to Develop a Single Spatial Strategy**

- 5.13 The evidence reviewed above has, as noted at the start of this section, been assembled and accelerated in its preparation to enable the Warwick Local Plan EiP to progress. This presents a significant and consistent evidence base from which to consider the development of strategic policy across the LEP area.
- 5.14 The evidence represents a point-in-time assessment drawing upon the latest available datasets, a factor which is inevitable and which always presents a challenge in long-term strategic planning. The implications of the release of new datasets has been demonstrated through the continued increase in the evidenced OAN for the CWLEP area from the 2013 SHMA<sup>19</sup> (3,740 dpa), through the 2014 Addendum<sup>20</sup> (4,000 dpa) and the 2015 Update (4,277 dpa).
- 5.15 Section 3 set out the current timetable for progressing a Joint Core Strategy anticipating a start date no later than 2017. If this timetable was progressed there are a number of new datasets and studies which will present a different basis for considering central policy planks of this document, with these primarily being housing and employment need and provision. These include, but are certainly not limited to:
- The 2014 base Sub National Population and Household Projections. The National population projection dataset is anticipated in late 2015 with the sub-national datasets and linked households projections anticipated in 2016/17<sup>21</sup>.
  - Finalisation and updating of the Local Authority SHLAA evidence base reports. Clause 4 of the MoU recognises the potential conclusions of these evidence base documents to change and impact on the available capacity to distribute supply.
  - Evidence of unmet need from surrounding HMA's and in particular relating to Birmingham. This is recognised through Clause 5 of the MoU. The latest evidence suggests that the shortfall in Birmingham amounts to 37,900 dwellings<sup>22</sup>. Stratford-on-Avon and North Warwickshire fall within the Greater Birmingham HMA with this having potential implications for the need for housing in this part of the LEP.
  - The refresh of the SEP. The latest papers confirm that the refresh process will update but not replace the 2014 SEP<sup>23</sup>. The focus of activity in 2015 will be

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<sup>19</sup> Coventry & Warwickshire Housing Market Area joint Strategic Housing Market Assessment (SHMA) (November 2013)

<sup>20</sup> 2014 SHMA Addendum '2012-based Sub National Population Projections & Economic Forecasts: Implications for Housing Need in Coventry & Warwickshire' (September 2014)

<sup>21</sup> This is recognised in the Report to the Coventry, Warwickshire and South West Leicestershire Shadow Economic Prosperity Board (Tuesday 29<sup>th</sup> September 2015) '*Memorandum of Understanding relating to the planned distribution of housing within the Coventry & Warwickshire Housing Market Area (HMA)*'. Paragraph 35 of this report reflects on the successive increases in the scale of population / household growth forecast by the ONS / DCLG in recent datasets.

<sup>22</sup> *Ibid* (Paragraph 36)

<sup>23</sup> '*Refresh of the Strategic Economic Plan by the Coventry & Warwickshire Local Enterprise Partnership (CWLEP)*' Report to the Coventry, Warwickshire and South West Leicestershire Shadow Economic Prosperity Board, Tuesday 29<sup>th</sup> September 2015.

placed on assembling an updated list of projects to realise the ambitions of the SEP. In this context it is asserted that the updated SEP will not include revised housing targets for the sub-region. The location of projects and the alignment with the updated Employment Land Use Study (2015) will potentially, however, have implications for infrastructure and future travel to work relationships which have formed a significant component to the methodology used in the distribution of housing. Adopting a forward looking position on the basis of this updated economic evidence would potentially result in changing economic relationships between areas which in turn would potentially have an impact on evidencing the sustainability of distribution.

- 5.16 The shorter the timeframe for the starting of the preparation of any Single Spatial Strategy for the CWLEP the more significant the potential exists for minimising the risks associated with the current evidence base being viewed as out-of-date. That said it is important to recognise that short of a fundamentally different scale of need being implied, in terms of either demographic or employment-led growth, the foundations of the evidence base and the approach adopted to date to re-distribute need will remain comparatively unchanged.
- 5.17 The progression to a Single Spatial Strategy would require a number of further joint evidence studies in order to present a fully justified Plan in the context of the NPPF. These studies, for example, would need to address strategic infrastructure requirements (beyond the 'what's-there-at-the-moment' approach to date); an assessment of Green Belt release, Sustainability Appraisal of Options and depending upon the final scope of the Study other factors such as retail requirements and key settlement hierarchies.

## 6. A Preferred Option for Coventry & Warwickshire

- 6.1 Despite there not being a history of joint plan-making in Coventry and Warwickshire, the recent past has delivered a comprehensive and broadly well-scoped range of joint evidence base documents that could underpin a joint approach.
- 6.2 Not everyone may agree with their outputs, but the coverage is well advanced and comparable to many areas already preparing statutory joint plans.
- 6.3 The Warwick Local Plan Inspector may have done the six authorities a favour because the urgent work required on the MOU has brought the original timetable back on track to an extent with a 'preferred option' for housing distribution agreed by Autumn 2015.
- 6.4 This lacks a spatial dimension through a deliberate decision of the sEPB, retaining the sovereignty of local plans to determine their own spatial strategies. Whilst this will be guided by the joint Green Belt review, individual authorities will be reliant on their own Sustainability Appraisal to consider the spatial distribution of housing and it is unclear how strategic employment land allocations or strategic infrastructure decisions will be made.
- 6.5 There is an understandable focus on the completion of local plans which have a Government guillotine hanging over them and which have made faltering progress in 2015, hence the original timetable has not been kept to. Ministers have made clear to the Inspectorate that plans which are broadly sound other than non-strategic matters later in the plan period should be found sound. That will be a relief to most authorities.
- 6.6 The next six months will see critical stages of the Warwick and Stratford plans, as well as the progress of Nuneaton & Bedworth's (the only authority not yet to commit fully to the MOU). Coventry's plan, unable to meet its own needs, is then entirely dependent on the MOU holding firm.
- 6.7 We think it would be a mistake to focus entirely on local plans in 2016, as the state of the evidence base should be taken as an opportunity to accelerate joint strategic planning with an eye to the longer term. Population and household projections are consistently pushing up the needs of cities, which are severely constrained by historic boundaries, and the tendency is for local plans to meet minimum requirements only to be found wanting soon after adoption. The looming Birmingham shortfall is one such example of a timebomb.
- 6.8 Given that local plans should have a 15 year time horizon, 2017 adoption is becoming a challenge for plans whose evidence base currently only runs to 2031. There will be an urgent need to start rolling forward the evidence base to 2036 or even 2041 which would enable a longer term view to be taken of the sub-region's strategic growth.
- 6.9 At the same time, the SEP review gets underway in 2016 and may be at risk of coinciding with the tail-end of the local plan process which will be focussed on getting the job done, rather than the looking to the longer term with ambition.

6.10 Our recommended approach is therefore to start the single spatial strategy in parallel with the current local plan timetables.

6.11 Below we look at how this might work in respect of:

- Overall approach (statutory or non-statutory)
- Content and coverage
- Timeline (Project Plan)
- Governance
- Resources

### **Overall approach**

6.12 The West Midlands Combined Authority has eschewed the prospect of strategic planning powers, partly because it sits astride three co-existing planning partnerships – the Black Country with its established statutory Joint Core Strategy about to be reviewed, GBSLEP with its nascent informal Spatial Planning Framework (SPRG) and Coventry and Warwickshire with its commitment to joint evidence to underpin current local plans and a possible joint review post-2017.

6.13 The retention of three LEPs producing their own SEPs (albeit with an overarching ‘super’ SEP) in the CA proposal seems to suggest that the authorities are hopeful that existing sub-regional planning structures can remain in place with transport being the major spatial responsibility to shift to CA-wide governance.

6.14 If this is the case, Coventry and Warwickshire may be free to determine its own strategic planning future. The choice is then whether to go for a statutory or non-statutory approach or stick with a “coordinated review” of individual local plans.

6.15 Arguably the current approach is one of alignment under a joint evidence base, particularly in the wake of the MOU. A coordinated review would therefore maintain the status quo, but fail in our view to match the aspiration of the SEP and fall behind the majority of other core city regions which are increasingly adopting the new-style spatial plan approach.

6.16 A non-statutory approach offers several possible advantages:

- It is easier and quicker to prepare a non-statutory spatial plan (although GBSLEP is not a trendsetter having taken four years and has yet to produce a meaningful set of spatial options)
- It will not be subject to formal scrutiny through examination and therefore can be based on a looser evidence base
- It can be governed by less rigorous structures and is capable of change depending on the commitment of individual authorities

- 6.17 However, a non-statutory plan is prone to the later scrutiny of the evidence base at local plan examination throwing up flaws in the approach, particularly to Sustainability Appraisal but also the failure to address strategic infrastructure requirements. There is also a temptation for such a plan to be a sum of the parts rather than a fresh visionary document.
- 6.18 Whilst a statutory plan has many more hoops to go through, we consider that the advanced state of the joint evidence base and the recent MOU in Coventry and Warwickshire should mean that there is only a short step to take to a fully-fledged statutory strategic plan compared to many other emerging areas.
- 6.19 A statutory plan would have real teeth and provide a complementary tool to the SEP in supporting bids to Government for funding, and in providing a strong basis for negotiating within the future WMCA particularly on Combined Authority-wide transport investment decisions. It would lock all authorities into the joint spatial vision.

### **Content and Coverage**

- 6.20 The new-style statutory spatial plans which are progressing – West of England and Greater Manchester – provide good examples of what strategic matters might be covered in a Single Spatial Strategy. Of course, both areas are made up of unitary authorities in former Metropolitan counties, whereas Coventry and Warwickshire retains a County Council with responsibility for a range of strategic matters.
- 6.21 In the case of the West of England, its recent Issues and Options Consultation (November 2015) identifies four primary purposes:
- To identify housing and employment land requirements for the Wider Bristol Housing Market Area
  - To identify the most appropriate locations for housing growth
  - To identify the most appropriate locations for employment growth
  - What transport improvements and other infrastructure investment will be made
- 6.22 The document sets out a proposed vision for 2036, spatial objectives, the quantum of development needed above that already planned for, and commitments to maximise brownfield and minimise greenfield development.
- 6.23 A number of spatial scenarios are being tested, including urban intensification, urban extension, town expansion, development in other settlements/locations and dispersal. These are similar to those options considered as part of the process of developing the MOU for Coventry and Warwickshire, although the eventual distribution was based on narrower evidence of commuting flows rather than spatial options.
- 6.24 In our view, it is not sound to determine distribution on past trends only, as decisions on the most sustainable means of meeting needs should be made through assessing spatial options against sustainability criteria. This has not yet happened in Coventry and Warwickshire and would need to do so at the next stage.

- 6.25 Greater Manchester is taking a far more integrated and comprehensive approach, with the Spatial Framework sitting alongside Public Service Reform and a Place-based Settlement strategy as part of wider Combined Authority initiatives.
- 6.26 It is also looking at four broad areas: housing, employment, strategic infrastructure and environmental policy, but with a much wider range of sub-topics including city and town centres; the airport and Ship Canal; links to London and other cities; place and design quality; education, skills and health.
- 6.27 The recently published GMSF Strategic Options Consultation (November 2015) looks at three broad quantitative options – the first of which delivers no more than the current plans, but the highest of which delivers almost double over the next 20 years (i.e. ‘maxing’ out the Northern Powerhouse initiative).
- 6.28 These plans are both at an early stage but provide an indication of what a Single Spatial Strategy could cover. In the case of the West of England, broad locations are being considered as part of the spatial scenarios. This is the right approach, we believe, for Coventry and Warwickshire.

## Timeline

- 6.29 Planning timetables have a habit of being overtaken rapidly by events as most Local Development Schemes can attest. The current timetable set a year ago by the sEPB had a degree of detail in the early stages (the ‘known knowns’), then a broader sweep of tasks and milestones (the ‘known unknowns’) and finally a stab at the longer term (the ‘unknown unknowns’).
- 6.30 Beyond the MOU and the local plan timetables, the only fixes are the SEP review during 2016 and a “coordinated review process” to be underway from 2017. We have added some additional process stages drawing on the current examples of statutory plans being prepared elsewhere and the additional evidence base steps we believe are necessary.
- 6.31 This forms the basis of a Project Plan for the Coventry and Warwickshire Single Spatial Strategy.

**Table 6.1: Project Plan for Single Spatial Strategy**

Month/Year	Local Plan Tasks	Single Spatial Strategy Tasks
Sep 2015	MoU on Housing Distribution	
Oct-Dec 2015	Ratification of MOU by all six authorities	Review options for SSS Explore governance arrangements
Jan 2016	Reopening of Stratford EIP Warwick Inspector reviews progress	Decision to commit to SSS Review of SEP commences
Feb 2016	Warwick Reg 19 consultation	Consideration of Birmingham shortfall once known

Mar 2016	Coventry plan submitted Nuneaton & Bedworth consultation	Scoping of outstanding evidence including baseline SA and strategic infrastructure study
Apr 2016	Birmingham Development Plan adopted (estimate)	Review of Warwick MOU in light of Birmingham shortfall
May 2016	Stratford plan adopted Warwick submission Rugby Reg 19 consultation	Outcome of CA process known SHMA update post ONS figures ELR update to reflect SHMA Publication of an Integrated Assessment Review as part of SA process Put in place governance arrangements
Jun 2016	Reopening of Warwick EIP	Review of broad spatial options, including Sustainability Appraisal
Jul 2016	Coventry EIP	Review of transport infrastructure post-CA reorganisation
Aug 2016	Rugby submission	
Sep 2016	Warwick EIP Nuneaton & Bedworth submission	Agree Issues and Options for Consultation
Oct 2016		
Nov 2016	Coventry plan adopted NW Site Allocations DPD submitted Nuneaton & Bedworth EIP	Consultation period for Issues and Options (Nov-Dec)
Dec 2016	Rugby EIP	
Jan 2017	Warwick adoption NW Site Allocations EIP	Prepare preferred option SSS
Feb 2017		
Mar 2017	Rugby plan adopted	
Summer 2017	NW Site Allocations adopted Nuneaton & Bedworth adopted Review of Hinckley & Bosworth plan commences	Consultation on Draft Single Spatial Strategy (Jun-July)
Autumn 2017		Submission of Draft SSS
Winter 2017/18		Examination
Spring 2018		Adoption of Single Spatial Strategy

6.32 The preparation of a statutory Plan in accordance with the timetable set out in Figure 6.1 would have implications for the supporting evidence base. As identified earlier within this report, the evidence prepared to date to underpin the MOU and emerging Local Plans forms a solid foundation from which to build but will need updating and some additions to ensure it is robust under examination.

6.33 The additional key aspects of the evidence base will need to include:

- Further SHMA update – the release of the 2014 SNPP in summer 2016 will require consideration of the implications for the currently concluded district OANs. This will also need to take into account the Inspector's interpretations of housing need evidence through programmed EIPs in the area and ensure alignment with the latest LEP position regarding economic growth ambitions
- Economic Demand Assessment – It is recommended that an update of the economic demand analysis within the current ELR be undertaken in tandem with the SHMA update. This will ensure consistency between input assumptions around likely employment growth and resulting housing and economic policies. This should take account of the latest available economic forecasts and the outcomes of any agreed objectives associated with the update of the SEP / Combined Authority position
- Sustainability Appraisal – this is the missing link at the moment in turning a solid evidence base into a robust one capable of passing the soundness tests. This would need to be scoped early in 2016 and undertaken in iterative stages as spatial options are considered, including a consistent approach to Settlement Hierarchy to enable the sustainability of settlements in different parts of the sub-region to accommodate growth, and a further review of the Green Belt evidence to consider the contribution of Green Belt release as a potentially 'reasonable' alternative to other spatial distribution options
- Strategic Infrastructure – the current study needs to be used as a starting point for a rigorous assessment of the need for physical, social and green/blue infrastructure to support the levels of development and broad locations of growth. This will increasingly be drawing on evidence from beyond the sub-region, incorporating the West Midlands Combined Authority's strategic transport plans and Midlands Connect. This will be particularly of relevance in maximising the potential of HS2 (see the Midlands HS2 Growth Strategy).

6.34 We consider that, in line with Greater Manchester's approach, an Integrated Assessment is advisable – a comprehensive assessment of the impacts of options being considered for growth drawing together the various strands of the evidence base in one place.

## **Governance**

6.35 Coventry and Warwickshire currently operates a shadow Economic Prosperity Board (sEPB), established under the Local Democracy, Economic Development and Construction Act 2009 to enable the integration of economic development (excluding

transport, which is the only difference with a Combined Authority where transport is included) and to be an accountable body for funding through the LEP.

- 6.36 Its membership is made up of the leaders of the seven Councils and the CWLEP chair, supported by the Chief Executives of the Councils.
- 6.37 CWLEP has taken a leading role to date in promoting the Single Spatial Strategy through its Planning and Housing Business Group (PHBG), which also oversees and advises on DTC activities. A DTC group of local authorities reports into CSWAPO and then into PHBG which seems an unnecessary convoluted arrangement.
- 6.38 A report is being considered by the sEPB in November 2015 seeking to reaffirm commitment to the Board in light of the emergence of the West Midlands Combined Authority and the changing nature of regional partnerships.
- 6.39 It is likely therefore that the sEPB will remain the sponsoring body for a Single Spatial Strategy, representing as it does the political leadership of the seven Councils. At present, it can only endorse decisions to be ratified by Councils individually, but this is the same approach as being taken in the West of England.
- 6.40 In the West of England, this involves elected members who sit on a Planning, Homes and Community Board, with decisions being scrutinised by the West of England Joint Scrutiny Committee. This does not take away from the sovereignty of local planning authorities as the Joint Spatial Plan has still to be ratified by individual Councils.
- 6.41 What is currently missing in Coventry and Warwickshire is a Strategic Growth Board or Committee to provide clarity and steer the process under the auspices of a broader strategic body like the sEPB. Even Oxfordshire, which is not pursuing a joint spatial plan, has a Growth Board which reports into a Partnership Board representing all the county authorities and LEP, as well as the Association of Local Councils.
- 6.42 This may be something which needs to develop as an offshoot of the sEPB with the PHBG as its officer/stakeholder support group.
- 6.43 A basic requirement would be for the participating authorities to extend the existing MOU on housing distribution to the next stage of committing to a Single Spatial Strategy and incorporating strategic employment and infrastructure to the list. This would then form the founding principles for a Strategic Growth Board or similar.

## **Resources**

- 6.44 In the Growth Areas of the mid-2000s when Government was prepared to resource joint working, a number of Joint Planning Units were set up with dedicated staff working alongside the planning officers in each local authority area. This explains the rapid progress made, for instance, on the North Northamptonshire Core Strategy between 2004-08.
- 6.45 By contrast, the arrangements for the West of England Joint Spatial Plan are more virtual with the Chief Executive of the LEP as the project lead, the LEP Projects

Coordinator who oversees the Housing Market Reference Group and the Head of Planning at North Somerset leading the LPA team behind the Joint Spatial Plan work.

- 6.46 In Leicester and Leicestershire, the appointment of a Joint Strategic Planning Manager (working out of North West Leicestershire, whose Chief Executive happens to be the lead officer for the Strategic Growth Plan) has provided the impetus, but there remains a virtual team of policy officers from the individual Councils and the LEP providing day to day support.
- 6.47 GBSLEP similarly has been driven by an officer-led working group of the 9 authorities with a private sector Planning Sub-Group offering some support around the fringes.
- 6.48 CWLEP has, in its Growth Hub planning manager, a resource available to support the Single Spatial Strategy in much the same way as is happening in Leicestershire. Both have considerable private sector experience and contacts to draw upon.
- 6.49 A significant amount of joint work has already been done on the evidence base for the combined benefit of both the collective and individual authorities, so the additional effort required to produce a Single Spatial Strategy needs to be seen in the context of work that would need to be done in any event in the context of the DTC.
- 6.50 The LEP could therefore provide a coordination and project lead role, working with a virtual team of local authority officers, with time made available subject to local plan commitments (which clearly are going to be significant over the next 12-18 months). The Project Plan shows two phases of public consultation in November 2016 and Summer 2017 by which time most EIPs are out of the way.
- 6.51 We do not have access to local authority costs for the work done to date but an exercise to compare the costs of a fully coordinated review of all local plans between 2017-19 with a focussed single spatial strategy exercise followed by individual Site Allocations and Development Management DPDs could yield surprising results.

## **Risks**

- 6.52 Part of our commission was to analyse risks, the foremost of which is that a failure to grasp the nettle of strategic planning and the duty to co-operate has been shown to be resource-hungry. Delays in local plan preparation and the need to repeat stages of the process is a false economy as resources are wasted. Three authorities in Coventry and Warwickshire – Coventry (from 2009) and more recently Stratford and Warwick have been found wanting at examination and further work has been required.
- 6.53 In that context, a strong formal commitment to joint plan-making which would combine effort in determining long term requirements for development and infrastructure investment would pay dividends in the future as local plan reviews would be shorter and less resource-intensive. One plan and one officer team would be tested on the soundness of its strategic evidence base instead of six. Future local plan reviews would then be Site Allocations and Development Management DPDs, which involve less evidence and a different type of scrutiny.

6.54 There remains the risk of course that not all six authorities wish to embark down this path or indeed stay on board, subject to local political sensitivities or outside pressures. The process should therefore be robust enough that, should not all authorities wish to participate, a partial alignment of plans or reduced joint spatial arrangements combining two or more authorities could be achieved. This might for instance involve Hinckley and Bosworth in meeting some of the unmet needs arising from Coventry, although their recent commitment to the Leicester and Leicestershire Combined Authority bid and Strategic Growth Plan may limit their direct involvement. North Warwickshire and Stratford are equally facing external pressures to meet some of Birmingham's shortfall which may present bigger political challenges than Coventry's.

# Appendix 1: Review of Strategic Planning Models

## Joint Evidence Base Approach

**Oxfordshire** serves as a lesson in how informal arrangements can fall short of the ambition, as Oxford City Council objected to Cherwell's Local Plan due to the failure to reflect housing numbers emerging at the strategic level. A revised plan was found sound by its Inspector, with a commitment to a joint review of the Green Belt once the Oxford shortfall is known.

There is a governance structure in place through the Oxfordshire Growth Board, with input from the Oxfordshire LEP and private sector representation particularly from the universities. The LEP geography mirrors the county boundary and the Oxford TTWA covers most of the county, with small incursions from Banbury, Reading and Swindon TTWAs at the edges. This makes for a relatively self-contained economic and housing market area.

A joint SHMA was commissioned in 2013 which identified a range of housing need, based on economic growth consistent with the City Deal, and improving affordability. Oxford itself can only accommodate about 10,000 of its 24-32,000 OAN and has published a Strategy Route Map seeking to move forward a joint Green Belt review on the assumption that the favoured solution will be urban extensions around the edge of the city, a shift from previous strategies which accommodated growth in market towns.

There are no current intentions to move towards a joint plan of any kind. This may yet become an obstacle to progress.

## Aligned Plans

**Nottingham** and its neighbours are unique in having progressed a series of local plans for the city and adjoining authorities (Broxtowe and Gedling) on an aligned basis, which were then examined together by a single Inspector. The report was issued in 2014 and several of these plans have now been adopted.

This arose out of the Growth Point initiative of the mid 2000s with the creation of a joint planning advisory board for the Greater Nottingham area for which the HMA and TTWA are broadly similar. Separate plans were subsequently pursued by Erewash and Rushcliffe but these drew from a shared evidence base. Whilst there was some initial disagreement with Rushcliffe, that Council subsequently revised its proposals and increased housing numbers. There was also tension between Gedling and Ashfield about proposals in the vicinity of Hucknall but these were resolved.

The three aligned strategies adopted a policy of urban concentration with limited greenfield/Green Belt incursion, with development focussed around public transport corridors. Some Green Belt release was however necessary to meet the housing requirements and this was challenged in the High Court (Calverton Parish Council v Nottingham City Council. Case Number: CO/4846/2014) but was unsuccessful.

Greater Nottingham's experience is different from the Joint Core Strategies which we will go onto explain but is nevertheless an example of how joint working can be made to be effective without the full participation of all authorities.

## **Formalised Joint Core Strategies**

As part of the previous Government's Growth Agenda in the mid 2000s, **Northamptonshire** was identified as a recipient of housing-led growth from the overheated South East. Two separate joint planning arrangements were set up, one in North Northamptonshire covering the principal towns of Kettering, Corby and Wellingborough (plus the more rural East Northamptonshire), and one in West Northamptonshire covering Northampton itself, Daventry and South Northants.

Joint planning units were set up as far back as 2004 and North Northants adopted its Joint Core Strategy in 2008, remarkable progress compared to most plans prepared since 2004. This was alongside the RSS for the East Midlands which therefore provided the higher level targets. A review of the JCS has been submitted to the Secretary of State in July 2015.

West Northamptonshire only began preparation of its JCS in 2007, a draft emerged in 2011 and a post-NPPF update was examined in 2013 with adoption at the end of 2014. It is anticipated that this will go straight into a review process.

Northamptonshire has a county-wide LEP with a largely overlapping South East Midlands LEP extending to the south. It has a complex web of TTWAs and housing market areas. Full evidence bases were prepared for both joint core strategies using a consistent methodology.

The JCSs are statutory plans addressing a spatial vision for the area and a full range of supplementary policies. The distribution of housing is set out by district and strategic allocations for urban extensions are included. Site allocation plans are then prepared by individual local authorities including the detail of SUEs and the allocation of smaller sites. However, in most cases, planning applications were advanced for the major SUEs in advance of local plans.

The **Black Country** authorities (Wolverhampton, Walsall, Sandwell and Dudley) also went down the joint core strategy approach as a sub-strategic component of the West Midlands RSS. It was in fact the first phase of the review of the RSS in the mid 2000s. This involved standing arrangements between the four authorities and led to the adoption of a Joint Core Strategy which is due to be reviewed in the next few years albeit now in the context of the wider Greater Birmingham unmet needs debate.

## **'New' Non-Statutory Spatial Frameworks**

**Greater Birmingham and Solihull** was one of the first LEPs to announce in 2011 that it would lead the preparation of a single spatial framework for the LEP geography. This did not reflect any historic planning area, with the inclusion of unrelated Wyre Forest and East Staffordshire but not the Black Country as that had its own separate LEP.

Two years later, a Consultation Draft Spatial Plan for Recovery and Growth was published, but this did not contain any specifics about housing or employment land requirements, more a statement of strategic intent. Further work was commissioned which is only now, in 2015, being made available. A second version of the SPRG is expected in early 2016.

The non-statutory nature of this document is proving to be something of an issue as transpired at the Birmingham Development Plan examination in late 2014. The Inspector made it clear that he could not take it into account as it was non-statutory and would not be subject to any independent scrutiny, although LEPs were recognised as organisations whose views could be taken into account in the process.

The evidence base work – a joint Strategic Housing Study which is not a SHMA (PBA Stages 1 and 2 Reports 2014/2015), and a subsequent update plus assessment of spatial options (PBA Stage 3 Report, September 2015), which does not reach any conclusions – has not been used in any of the local plan examinations that have taken place to date, although it is informing the scale of the Birmingham shortfall which the Inspector has said he will find helpful.

A political summit took place at the end of September and we are expecting to hear shortly how the SPRG will be taken forward, with the local authorities performing more of a lead role than the GBSLEP. The result has been that four years into the process and no spatial distribution of housing and employment has been agreed. Along with the progress of other city regions in reaching Combined Authority status, there is a sense that Greater Birmingham is falling behind its comparators.

Another example of a non-statutory approach is the **Humber** LEP and local authority partners who signed a City Deal in 2013 committing to preparing a Humber Spatial Plan. This is intended to bring together the key spatial priorities of each of the constituent authorities, drawing on existing evidence for individual local plans. It does not challenge or seek to put forward housing or employment proposals beyond those already in the existing emerging local plans. This appears to be more of a marketing or window-dressing exercise, but it has taken less than 12 months to prepare.

**Leicester and Leicestershire** authorities and the LEP are currently advancing a non-statutory Strategic Growth Plan alongside their Combined Authority scheme recently submitted to Government. A Governance Review has been published which shows how the Strategic Growth Plan is being prepared under the auspices of an Economic Growth Board, Member Advisory Group and Strategic Planning Group of senior officers from the 9 local authorities, County and LEP. They have appointed a Joint Strategic Planning Manager to drive the process forward and operate as a virtual team with apparently limited resources. The intention is to produce a growth plan looking ahead to 2050 which can provide a single, robust framework for aligned investment plans including for strategic transport.

## **Statutory Spatial Frameworks**

The **Greater Manchester** Combined Authority is made up of 10 local authorities who have worked together as AGMA for a considerable period of time. They are jointly preparing a Strategic Framework which will be a statutory joint plan.

The LEP geography is contiguous with the GMCA (which is the accountable body for the LEP) and the TTWA extends to the south into Cheshire East but there is also some overlap with the Warrington and Wigan TTWA in the west.

The Strategic Framework is being prepared by AMGA but, from 2017, will be the responsibility of the elected mayor (assuming legislation is passed).

There is a history of joint evidence going back to the Greater Manchester SHMA in 2007. There was consultation on initial baseline evidence for the Strategic Framework in late 2014 and an Integrated Assessment Scoping Report was published in July 2015. The Strategic Options Consultation was published in November 2015.

The plan will address housing, employment, strategic infrastructure, town centre hierarchies and will identify spatial opportunity areas. Subsequent local plans will focus on detail and delivery. It is expected that the plan will be adopted some time in 2018.

The **West of England** is another area embarking on a Joint Planning Strategy, due to the need to coordinate reviews of local plans including Bristol and three adjoining authorities with a history of addressing unmet need across boundaries. This area coincides with the West of England LEP and the Bristol TTWA although with overlap to Bath and Weston each with their own TTWAs.

There is a Memorandum of Understanding between the four authorities and decisions are made by elected members of the Planning, Homes and Community Board with a Joint Scrutiny Committee. Adoption of the strategy will require resolution by all four authorities.

A joint SHMA was commissioned although this excludes Bath and North East Somerset (BANES) which has its own HMA evidence base which supported the adopted Local Plan (2014). It is notable that this plan released Green Belt for development around Bristol. A wide range of other evidence base documents are in preparation, with a base date of 2016 running to 2036.

The plan will determine the distribution of housing and jobs, as well as strategic infrastructure and priorities. An Issues and Options report is out for consultation in November 2015 with adoption expected in 2018.

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## Appendix 2: Overview of Options

In 2015 Turley were appointed by the CWLEP to advise on a Project Plan to deliver a Single Spatial Strategy (SSS) for the sub-region (full report included as Appendix 1). This process included a review of alternative models of strategic planning in order to establish alternative options for the progression of a SSS.

The options available can be simplified into:

- A Statutory Single Spatial Strategy
- A Non-Statutory Joint Planning Framework
- Current process i.e. progression of individual Local Plans and their Reviews

A high level appraisal of these options is summarised in the following table drawing on the previous information assembled by Turley and subsequent knowledge obtained through the development of the Outline Business Case (OBC).

Indicator	Continuation of current process	Non-Statutory Joint Planning Framework	Statutory Single Spatial Strategy
Strategic Vision	<p>No single Strategic Vision established.</p> <p>Interpretation of the SEP required for individual local authorities.</p> <p>Application of individual visions / objectives over different Plan periods dependent upon refreshing of MoU.</p>	<p>Relationship with individual statutory Local Plans could present a challenge in formulating a strategic vision which is owned by all of the authorities.</p> <p>Potential for the vision to be flexible to respond to changes in commitment from authorities. However, this is likely to lead to the vision representing a 'sum of the parts' as opposed to a fresh visionary document.</p>	<p>Potential to demonstrate strong alignment with the SEP ensuring consistent message in the application for funding / investment.</p> <p>Single vision over a longer plan timetable to elevate levels of certainty for investment / resident communities.</p>

Indicator	Continuation of current process	Non-Statutory Joint Planning Framework	Statutory Single Spatial Strategy
Planning Weight	Planning strategy would revert to Local Authority level in the absence of a wider strategic framework.	Plan would have limited planning weight and would be secondary to subsequent Local Plan reviews.  Limited powers to ensure individual Local Plans apply spatial planning framework principles recommended.	Plan would be accorded statutory plan status and therefore have significant planning weight. Strong compliance with Duty to Cooperate implicit.  Single Sustainability Appraisal would be important in justifying planning decisions and infrastructure requirements.
Resource / Financial Implications	Future review of each individual Local Plan anticipated to potentially require a level of resource akin to plan preparation to date.  Potential for additional resource to be required where Plans are challenged in the context of the DTC.  Each Plan will require officer resource and will have an individual EiP cost.	Comparatively light evidence base requirements.  Officer time / resource would be required in addition to the preparation of multiple statutory Local Plan reviews albeit more limited change of DTC non-compliance with resource implications.  No additional costs associated with EiP / Legal resources.	Resource / cost savings involved in generation of single plan as opposed to multiple single plan reviews. Shared staff resourcing and wider draw on breadth of skills.  Single EiP cost and legal resources.
Timescales / Programme	Multiple timetables likely to progress based upon date of Plan adoption.  Reviews could be aligned subject to agreement and the commissioning of updated evidence.	Plan preparation could be comparatively swift and would not need to be aligned to the adoption of individual statutory Local Plans.  Non-statutory process would reduce consultation steps and examination elements.	Programme would follow statutory process commencing in second half of 2017. SSS anticipated to be adopted by spring 2020.

Indicator	Continuation of current process	Non-Statutory Joint Planning Framework	Statutory Single Spatial Strategy
Overview	<p>The absence of a single spatial strategy in some form would pose challenges in presenting a single unified vision for the area potentially meaning that it falls behind surrounding areas.</p> <p>A continued process of individual Plan development would continue to require significant resources and carry notable financial costs.</p> <p>Future challenges to ensure compliance with DTC requirements could add further to the resources required.</p>	<p>Whilst this option would present a comparatively quick process for establishing a joint spatial vision the absence of planning weight would be likely to undermine its capacity to lock authorities into achieving this vision.</p> <p>There would unlikely to be associated resource / financial savings. Indeed the additional resource required to prepare the Plan would be unlikely to be balanced by any resource savings associated with reducing the scope of individual Local Plan reviews.</p>	<p>A statutory SSS would present the opportunity to establish a new long-term vision which would be implemented collectively by the individual planning authorities. This would ensure a strong compliance with the DTC.</p> <p>The SSS would reduce considerably the scope for individual Local Plan reviews creating a significant efficiency saving in terms of resources and costs associated with evidence-base preparation.</p>

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