

Development of a single Statutory Spatial Strategy (SSS) for Coventry and Warwickshire

1. Purpose of this report

1.1 The purpose of this report is two-fold:

1.2 Firstly, to provide an update on the previously agreed action of developing an Interim “Compendium” non-Statutory Spatial Strategy; and,

1.3 Secondly, to set out the business case for developing a single Statutory Spatial Strategy for Coventry and Warwickshire and to seek each constituent authority’s approval in principle to take forward the business case toward implementation.

2. Background

2.1 At its meeting on 21st July 2016 the Joint Committee ¹ and at the LEP Board on ? July the principle of jointly preparing a single Statutory Spatial Strategy (SSS) for Coventry and Warwickshire on a two part/phased basis as set out in the Outline Business Case (OBC) prepared by the consultants Turley and presented as part of the meeting papers.

2.2 Both bodies resolved to progress with an interim “compendium” document with immediate effect. This was considered important to draw together all the work done under Duty to Cooperate (DTC) provision and to reflect the high levels of existing coordination across the six individual statutory Core Strategies/Local Plans which are all progressing towards adoption in 2017. It is also consistent with the commitment that all Councils gave in agreeing to the City Deal in 2014 to develop and agree a single spatial plan.

2.3 In terms of proceeding to a new joint planning framework for the sub region, the Joint Committee called for the further development of the business case for the central element of the joint framework and for more work on the options available for it to be carried out. Members also wanted to see the explicit linkage and integration of work on infrastructure provision. Given the amount of further detailed work involved, this report seeks an all-round agreement from all six plan making bodies to further develop the detailed business case and costings based on the approach outlined in this report.

¹ The Coventry, Warwickshire and Hinckley and Bosworth Joint Committee for Economic Growth and Prosperity

3. Interim “Compendium “strategy

3.1 It was agreed that putting a document in place as quickly as possible was highly desirable following the recommendations in the OBC prepared by Turleys. Essentially, this will be a summary or compendium document pulling together the key elements of the current policy frameworks set by the six individual local plans particularly relating to housing and employment provision, community development and the protection of important countryside. It would also provide an opportunity to begin closer integration of the sub region wide infrastructure proposals which are currently contained within a range of different strategy documents.

3.2 Work implementing the draft compendium document is being developed under a small working group drawn from senior officers of the Local Authorities and the LEP. Other important inputs to the content are being channelled through the Coventry and Warwickshire Planning Policy Officers group which meets on a regular basis.

3.3 It is proposed that the first stage document takes the form of a web based information tool. This would provide some advantages including that:

- It can be easily and regularly updated to reflect the changing picture and progress made by local plans
- It is likely to provide the cheapest and most effective method of publishing the county wide framework
- It allows linkage and cross reference to the original source material and the detailed evidence base of the individual local plans and other policy docs
- It will be readily accessible to a widest range of possible users and stakeholders
- It could be used as an information portal for the subsequent work on a single SSS

3.4 It is proposed that the web site be a relatively simple and accessible tool summarising key policies and proposals from existing plan based work. This will allow a document to be put in place quickly. The design will support an ability to increase levels of sophistication and interactivity including mapping based information. Initial work is focussing on getting background information drawn from the Local Plans in place based on a standard template and providing linkages to the more detailed evidence that supports the main policies.

3.5 A specialist web developer is being sought to develop the necessary portal. The work will create a framework for posting the information and look at the necessary interactivity and linkages to existing policy sources which are largely contained on the local authority web pages. It is proposed that the consultants will be appointed in November 2016 with a view to completion of a draft design early in 2017. The job of populating the web site with information will draw entirely on available staff resources drawn from the policy officers group and utilising other resources available to the LEP using a set of standard templates for the presentation of key data on Local Plans in a similar format for each Authority area.

4. The Business Case for a single Statutory Spatial Strategy(SSS) for Coventry and Warwickshire

4.1 The Local Planning Authorities in the sub region are at various stages of agreeing statutory Development Plan Document but it is anticipated that all will have in place an adopted Core Strategy/Local Plan before the end of 2017.

4.2 However, even when agreed there is a requirement to review, update and perhaps even replace agreed plans in the context of the National Planning Policy Framework (NPPF)'s requirement for Development Plans to maintain at least a 15-year time horizon. In addition, many Councils have agreed to include policies to do early reviews if required, on aspects of their plans.

4.3 In achieving against these policy requirements the Local Planning Authorities can consider how they carry them out, especially in the continued financial environment of austerity. The Business Case attached as Appendix ? seeks to make the most of the collective experience of the last 5 to 6 years' plan making experience and sets out the option of a different and less expensive way of delivery.

4.4 If the Business Case is agreed in principle by each potentially participating Council then further work will need to be undertaken, presented and agreed on:

- * The updating the constitutional arrangements of the joint committee;
- * A Memorandum of Understanding on the operation of the Joint Committee and the apportionment of costs for the work to produce a single SSS;
- * A Memorandum of Understanding about the operation and support to the Sub Regional Team;
- * Proposals for the management, size and structure of the above-mentioned team

5. Recommendations

5.1 That progress on developing a Compendium Spatial Strategy is noted and a further report on progress is made by June 2017.

5.2 That each Council is asked to agree the principle of adopting a single Statutory Spatial Strategy (SSS) for Coventry and Warwickshire based on the Business Case attached to this report.

5.3 Should recommendation 5.2 be agreed by all participating Councils then a more detailed and costed implementation plan focussed on staffing, governance, organisation, and arrangements for cost sharing will be brought forward in 2017 with a view to the proposal commencing by the end of 2017, to a future meeting of this Committee.

Appendix ? – Business Case for Developing a single Statutory Spatial Strategy (SSS) for Coventry and Warwickshire

Introduction

This Business Case sets out the proposition for Developing a single Statutory Spatial Strategy (SSS) for Coventry and Warwickshire for the period 2018 to 2040. It makes clear the rationale for taking this step and of the wide-ranging financial and non-financial benefits it can deliver to all the participating authorities. In doing so it considers and evaluates the other options to achieve delivery.

Summary

Moving from 6 separate Core Strategies/Local Plans to a single SSS will better enable the Councils and the LEP to deliver their policy commitments that will be:

1. Compliant with existing and emerging Government Planning Policy;
2. Better integrated with the CWLEP Strategic Economic Plan (SEP), the SEP for the WMCA and the CWLEP Local Growth Fund;
3. Significantly cheaper and quicker to deliver than the other options.

The Councils could continue as they have this time and each prepare their own Statutory Spatial Strategy which based on the experience of the last 5 years would take a significant amount of time and public money. This approach is not advocated.

Adopting an approach of a non-Statutory Spatial Strategy will be almost as expensive as pursuing a single Statutory Spatial Strategy, in fact overall it would cost more and would take longer and is much less robust to challenges. This approach is not advocated.

The Proposal

The proposal is that the Local Planning Authorities in the Coventry and Warwickshire Sub region jointly prepare and adopt a single Statutory Spatial Strategy (SSS). The single SSS would be prepared by a new sub regional planning policy team based with the CW Growth Hub and overseen by a Joint Committee and a project board involving Senior Managers of the Councils and supported by representatives of each Council's Planning Policy teams.

The SSS

It is proposed that the single SSS should focus on a limited a range of key sub-regional level issues such as settlement hierarchy, housing provision over the plan period, employment allocations and the provision of key infrastructure. These are matters where cross boundary approaches and strategic plan making are most effective. All other matters would continue to be dealt with in companion local plan documents prepared by the individual Local Planning Authorities. Table (i) illustrates how this division of content would operate.

The single SSS would necessarily have to identify the location of major sub regional scale development proposals for housing and employment and the general “directions” of growth across the sub region. However, it would remain the responsibility of the Local Planning Authorities to set out the details of the content of all housing and employment allocations and define boundaries and deal with the implementation of proposals. Local Planning Authorities would also continue with the preparation of development briefs, master plans and continue to coordinate the increased levels of Neighbourhood Planning activity.

It should be stressed that this is a collaborative approach of Local Authorities working together not instituting a “top down” approach that takes away the autonomy of each Council. It is an approach that is not unusual. There are many cases throughout England. A research project undertaken in 2015 sought responses from Councils that had participated in such exercises which revealed valuable feedback that informs this Business Case. This is attached at Appendix ? to this Business Case.

Time horizon for the single SSS

The National Planning Policy Framework (NPPF) states that “*Local Plans should....be drawn up over an appropriate time scale, preferably 15-year time horizon* “. All current local plans in the sub region are seeking to cover the period 2011-2031 and therefore as many are still not yet adopted they are already falling of the required need to maintain a 15-year time horizon. While as a minimum it seems likely that a SSS should at least cover the period 2015-2035, given that the broad strategic nature and purpose of the SSS is to set out a long term spatial framework for the sub region it would be appropriate for the policy document to contain broad objectives and strategies that go much longer term indicating growth strategies from 2018 to 2040.

Staff Arrangements

It is proposed that a joint sub regional project management and coordination team of planning officers needs to be established to supervise and undertake the work required to produce the single SSS. The composition of this team will revolve around what is considered the best way of managing, preparing and developing a planning strategy and taking it through the appropriate stages and statutory processes specified (See diagram table (ii)). It will involve a team of planning staff reporting to the joint plan making body and producing evidence based studies, draft policies and documents, organising consultations and engagement and procuring the necessary specialist inputs from external specialists and consultants. However, the dedicated staff resource will be required to work closely alongside the local authority staff, other stakeholder groups and to act as a focal point for delivery of the background studies that will be required to support the development of a single SSS for the area.

A range of choices exists related to how all this work can be best organised and appropriately staffed. **Exploration of these choices will require considerable further detailed work and discussion once the principle has been agreed.** These choices range from the recruitment of full and part time staff, the loan or formal secondment of existing policy and technical staff for limited periods, or the “buy in” of sub contract specialist staff related to specific tasks. A combination of all these potential approaches is also realistic option. However, for the purposes of this Business Case, a worst cost case scenario has been modelled, i.e. a permanent team of staff.

In Coventry and Warwickshire, because of the extensive work on the Duty to Cooperate and the preparation of MOUs on housing and employment, there already exists a basic infrastructure to project manage and supervise the preparation of the joint technical planning and development work required. This is provided through the representatives of each Council’s Planning Policy teams which is also supported by input from the LEP planning and staff. It is considered that this Group would take on the responsibility for supervising the necessary technical inputs and provide day to day steering of the strategy preparation.

In addition, owing to the oft political nature of planning policy decisions, it is proposed that the existing sub regional meetings of Chief Executives/Senior Managers of the participating Councils be used to offer a more strategic level of support and involvement.

As noted above the preparation of the single SSS will not remove a need for each Local Planning Authority to have a policy team that will deal with specific plan making policies and with issues such as ongoing work on development briefs and neighbourhood planning. However, it will reduce the scope of workload related to the strategic policy making conducted on an individual basis and under Duty to Co-operate obligations and offer major opportunities for cost sharing in planning the high-level policies particularly for housing, employment and infrastructure allocations.

Political Governance

To produce a robust and legally sound single SSS will require changes to existing informal political arrangements which currently operate under the general obligations each Local Planning Authority has under the Duty to Cooperate. Having looked at arrangements made in other areas with joint planning policy arrangements there are common themes and approaches to creating an effective and transparent decision making and supervisory processes involving local authorities and LEPs.

It will be necessary to establish a formal joint plan making body made up of representatives of each plan making authority. This would also include representatives of the LEP and WCC and observer status for Hinckley and Bosworth BC. It is proposed that the terms of reference of the Coventry and Warwickshire Joint Committee be amended to establish a joint plan making process under the governance of the Councils and the LEP.

It is considered that any arrangements will need to satisfy the requirement in the devolution agreement 2015 to coordinate strategic planning across the area. Moreover, it will offer greater transparency in the process of joint plan making. It will also be necessary for the governance framework to comply with the Regulations that cover the making of locally prepared joint plans². Members should note that approximately 10% of English Local Planning Authorities are already part of similar arrangements so it is not unusual.

In practice, key decisions such as the approval of draft policy documents covering the quantum of housing and employment growth and the provision of infrastructure to service growth would also require reference to and the approval of the individual member authorities. In this context, it is important to note that each participating Local Planning Authority would have a right of veto.

Rather than start afresh with a new body it is suggested that the existing Joint Committee's terms of reference should be updated to reflect the additional responsibilities. The Committee would be supervisory and have delegated and joint responsibility for the single SSS for Coventry and Warwickshire. This will involve require members overseeing and sanctioning plan making activity and a technical team or resource to commission and undertake the work on evidence base and policy development (see resource section above).

The Committee will need the support of technical and evidential working arrangements established to develop the scope and content of the individual policy areas that will come together in a single SSS.

This Committee will sit alongside and be integrated with the emerging proposals for the revised governance of the CWLEP.

Programme and timetable

Work is progressing towards the publication of a web based compendium summary document that will highlight the main strategic framework as expressed in each individual local plan. It is anticipated that this will be available for publication by mid-2017.

It is proposed that once the compendium is in place work can formally commence on the preparation of a single SSS by the end of 2017. The initial stages will focus on the collection of evidence and moving towards the preparation of the first formal stages of a statutory plan process.

A preliminary timetable is set out in appendix (table (iii)) above and illustrates the likely timescales involved in preparing a statutory document. It should be noted that a formal joint planning exercise such as this will be subject to the Regulations for plan making set out in Town and Country Planning legislation.

² Reg 18. Town and Country Planning (Local planning) (England) Regulations 2012.

In part a detailed timetable and project programme will also be a function of the level of resources and the chosen “modus operandi” for managing and running the joint plan making exercise. However, at this stage the attached outline programme is considered realistic and will result in a statutory plan framework being adopted in 2019/20.

By contrast, the timetables for the other possible options are much, much longer and by implication more expensive (see table ?).

Justification

National, Regional and Sub-Regional Policy

There are some wider policy linkages that help justify taking a single SSS approach, as follows:

1. The National Planning Policy Framework (NPPF) states that “*Local Plans should....be drawn up over an appropriate time scale, preferably 15-year time horizon* “. All current local plans in the sub region are seeking to cover the period 2011-2031 and therefore as many are still not yet adopted they are already falling of the required need to maintain a 15-year time horizon.
2. In addition, many Councils have agreed to undertake early reviews of their plans or, aspects thereof. So, with point 1 above starting work cannot be unreasonably delayed without significant consequence.
3. As part of the City Deal signed in 2014, all Councils are agreed to develop a single SSS.
4. The Government has now announced that it will take powers (In the new Neighbourhood Planning Bill 2016) to enable it to direct two or more local authorities to undertake joint plan making exercises³. This follows a recommendation from the Local Plan Experts Group that the Government commissioned last year into how Local Plan preparation could be expedited.
5. The DCLG is now actively encouraging “City Region” areas to develop the initial Duty to Co-operate work into more formalised joint plan making. This is also being done through regional Growth Deal awards.
6. The CWLEP has developed and refreshed its Strategic Economic Plan (SEP), a SSS which properly integrated with this Plan would help to deliver its ambitious economic proposals. Similarly, the West Midlands Combined Authority (WMCA) is now actively developing its agenda for meeting the ambitious targets set out in its “Super SEP “document⁴. The ambitious economic growth targets (along with their knock-on impacts on the need for housing) will need to be delivered through the land use planning system. The recently

³ As recommended by the Expert Group Report on Local Plans 2015.

⁴ West Midlands Combined Authority. Strategic Economic Plan. Making Our Mark June 2016

established WMCA Land Commission is looking at this delivery and implementation issue and is attracted by the principle of introducing a joint strategic planning process across the WMCA area. In this context, it would be a strategically important move for the Coventry and Warwickshire sub region to be making a position statement regarding its own strategy for this part of the West Midlands region.

7. The single SSS should be accompanied by an Infrastructure Development Plan (IDP). There could also be a single Community Infrastructure Levy (CIL) set of proposals. This opens a much greater opportunity to link and mix infrastructure development and the funding thereof from all the various sources – Local Growth Fund, WMCA allocations, S106, CIL.

Financial Implications

The preparation of a single SSS will create an opportunity for significant cost savings when compared with the costs of producing a further six separate Local Plan review documents. As Council budgets remaining under considerable pressure for further savings this alternative approach, provides a compelling reason for a joint statutory approach.

Work undertaken by Turley after liaison with the Local Authority planning officers concluded that the cumulative costs of plan preparation across all six plan making bodies is likely to be close to £9m over the period 2011-2016⁵- see Table ii. This sum is made up of nearly £4.5m of plan making costs including evidence base production and the direct cost of examinations including in some cases legal support. In addition, there are some 29 staff currently employed directly in plan making and the combined wage bill over the comparative period is estimated to be more than £4.5m. Precise comparisons are difficult between Councils due to the differing ways the plan making policy teams themselves are organised but if staff costs are excluded a more meaningful comparison of costs and likely savings is evident.

As a comparator, the Councils in Leicester City and Leicestershire are pursuing a non-statutory Growth Plan. The estimated costs of this alone are ?. However, added to this would have to be the costs for each Council of preparing and adopting a new Core Strategy/Local Plan.

By contrast Turley's analysis suggested that a single SSS could be undertaken and progressed to adoption within a shared budget of £750,000 -£1,000,000 (see table ?). This sum has been broadly verified by recent work to seek estimates on the costs of the anticipated individual elements of the evidence and studies required to produce a single SSS. In addition, a sub-regional planning policy team would costs ? per annum based on the experience of the North Northamptonshire Joint Policy Unit which has recently just had its second Core Strategy adopted (see Appendix ? to this Business Case).

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The experience of other authorities having undertaken such joint exercises is that financial and time savings benefits have been derived.

The costs would be shared by the participating Councils based on a formula to be agreed. This is an area upon which there are a variety of approaches that could be taken but requires the commitment in principle to proceed. However, an assurance can be given that it would not cost any Council more than their current approach costs. This can be given on the basis that if Councils across the piece achieve saving but one does not then the others agree to offer part of their savings to offset any increase in net cost on behalf of one of the participating Councils.

A key variable in estimating the cost saving to each partner will depend on the type of organisation framework chosen by the partner authorities and the level of resources that each Authority considers it needs to retain to undertake the range of locally based plan and policy making that cannot be covered by joint strategic plan making activity (see table (ii))

The Other Options – costlier, and less timely

The statutory approach offers the opportunity of cost and resource savings due to the sharing and joint working on the preparation of evidence, background studies and strategic analysis which the option of each Council pursuing its own Statutory Plan cannot offer to anywhere near the same degree as has been set out above.

The non-statutory approach offers no savings in timetable and indeed extends the overall process. A non-statutory document will still require subsequent individual work by each individual Local Planning Authorities to take the revised strategic proposals and turn these into individual Local Plan based documents. This approach would add a further 18 months to two years at least before any proposals could be implemented under a Local Plan regime.

A non-statutory document would have no teeth or effective force and would overall represent a weaker position statement for outlining sub regional proposals. It would be much more vulnerable at appeal.