

Political Matter 1 – The duty to co-operate

Please accept this statement in relation to Matter 1 of the Warwick District Council Examination in Public: Duty to Cooperate, which has been signed off by the Council's Deputy Cabinet Member for Business, Enterprise and Employment.

Questions

General

- 1) *What are the genuinely strategic matters as defined by S33A(4) of the Planning and Compulsory Purchase Act?*

With regards the relationship between Coventry City and Warwick District, we consider the genuinely strategic matters relating to the Local Plan include:

- **The delivery of housing need**
- **The provision of adequate jobs and employment land**
- **Assessment of and subsequent amendments to the Green Belt**
- **Management and provision of associated Infrastructure**

- 2) Who are the relevant local authorities and prescribed bodies in terms of cooperating on these strategic matters during the preparation of the Local Plan?

There are a number of Local Authorities and prescribed bodies that Warwick DC are required to have engaged with in terms of the Duty to Cooperate and these are identified in legislation and guidance.

Based on the work we have undertaken with WDC on duty to cooperate issues we have no reason to believe that any local authority or prescribed body has not been adequately involved or engaged in the preparation of the WDC draft local plan.

Overall housing provision

- 3) Is the Council's assessment of the extent of the Housing Market Area (HMA) correct? What is the evidence that supports this view? Is there evidence to support an alternative view of the extent of the HMA?

The Coventry and Warwickshire Housing Market Area is evidenced by the 2013 Joint SHMA and further endorsed by the Inspectors findings to the North Warwickshire Core Strategy and the Interim findings of the Stratford on Avon Core Strategy.

We note that there is some overlap between the Coventry and Warwickshire HMA and that of the Greater Birmingham HMA, however this takes place around North Warwickshire and Stratford and is recognised in the Interim findings of the Birmingham Local Plan. The Joint SHMA also recognises some overlap in Rugby with the HMA's to the east. National Guidance allows for overlapping of HMA's and indeed alongside the Joint SHMA recognises that defining HMA's is not an exact science.

Whilst it could be argued that parts of these Districts relate to other housing market areas, the balance of the evidence provided in the Joint SHMA (particularly migration and commuting patterns) strongly suggests the 6 Coventry and Warwickshire Local Planning Authorities together make a well justified Housing Market Area.

4) What is the situation regarding commuting and migration patterns between authorities in the HMA? What are the interrelationships in terms of housing markets? In particular what are the relationships between Coventry and other authorities in terms of commuting, migration and housing markets?

Chapter 3 of the Coventry and Warwickshire Joint SHMA (November 2013), looks at migration flows and Commuting flows in detail. This shows that some of the strongest migration and commuting flows exist between Coventry and Warwick District. Coventry also has strong links with other parts of Warwickshire, most notably Nuneaton and Bedworth and Rugby Boroughs.

The evidence set out in this part of the Joint SHMA helps to demonstrate the presence of a Coventry focused HMA and the city's strong relationship with its Warwickshire suburbs.

The Joint SHMA does recognise the flows between all the HMA LPA's to Birmingham and Solihull but highlights that these are weak compared to those in the Coventry HMA and the Birmingham HMA respectively (para 3.24).

Since the completion of the Joint SHMA in 2013, updated commuting flows have been released from the 2011 census. To summarise, this data shows:

- **A broad continuation in existing relationships**
- **An increase of in-commuting into Coventry**
- **Nuneaton as the biggest exporter of labour in the HMA mostly to Coventry**
- **Coventry exporting labour to Warwick**
- **Stratford has a reliance upon importing labour supply**

5) How do these interrelationships affect Warwick District specifically?

No response provided.

6) When did co-operation with other authorities on overall housing provision within the HMA begin?

As part of the Phase 2 Review into the Regional Spatial Strategy, the 6 Coventry and Warwickshire Authorities agreed a Sub-Regional Strategy that sought to manage housing need across Coventry and Warwickshire. This work was on-going from 2007 and culminated in the 2009 examination of the RSS Phase 2 Review and its subsequent Panel Report. As part of the Panel's reporting, it praised the sub-region for its joint working and shared approach to managing housing need.

The fate of the RSS Phase 2 Review and other Regional Strategies are well known, however reference to this passage of cooperation remains worthy of note as it signalled a notable milestone in constructive and active cooperation between the 6 authorities on issues of housing need.

Following the abolition of regional strategies and the introduction of the Localism Act, the way housing needs were managed in relation to developing Local Plans / Core Strategies was uncertain and resulted in the failure of numerous plans up and down the country. Of greatest relevance here is the Coventry Core Strategy (2012) which was withdrawn by the City Council following interim findings by the Inspector in relation to the duty to cooperate, most notably around housing needs. As part of his report however the Inspector strongly recommended that the City Council work jointly with its Warwickshire neighbours to undertake a full assessment of housing needs across the sub-region.

In November 2013 this work was completed in the form of the Joint SHMA. This report has subsequently been updated through a supporting Annex (2014), which had regard to the most up to date population projections. Subsequent work has been undertaken by the 6 authorities and the shadow Economic Prosperity Board for Coventry and Warwickshire to endorse a level of housing provision at the LPA level and establish a clear and transparent timetable for managing the delivery of housing needs for the future.

As such, it is clear that mistakes have been learned from and that the work undertaken on current housing needs (since early 2013) is now proving successful and in full conformity with the requirements of the duty to cooperate.

7) What form has co-operation taken? Has it been on-going during the preparation of the Local Plan?

Cooperation has taken many forms in recent years. Of greatest relevance is the development of a shared and consistent evidence base in the form of the Joint SHMA and its supporting Annex. The preparation of joint evidence has not however been restricted to matters of housing. Alongside the LEP a joint employment land study has been developed whilst a joint Green Belt review has been commissioned and a Joint SHLAA methodology prepared. In addition to this, the 6 authorities alongside Warwickshire County Council and the CW LEP have established a monthly duty to cooperate working group to support the delivery of Local Plans and manage any issues that may arise that are of relevance to each other's plans and the Duty to Cooperate. A Coventry and Warwickshire monitoring group has also been established to ensure a consistent assessment of housing and employment land delivery to support each LPA and the monitoring of the SEP.

8) To what extent is there agreement between the authorities in the HMA regarding the level of objectively assessed need for housing (OAN) for the HMA and individual authorities? Is this as set out in the 2014 SHMA Addendum?

The 2014 SHMA Annex set out an updated housing need reflective of the most up to date population projections. This identified a housing need across the HMA of 4,004 homes per annum. The Annex also placed greater weight on the HMA need than it did the local authority components due to a range of issues, including migration trends, the effects of the UPC and the change in distribution since the initial recommendations of the Joint SHMA. Notwithstanding, the identified needs of each authority set out in the Annex, are a reasonable projection of housing need based on the most up to date ONS projections. This is a point recognised by the Inspector in his interim findings for Stratford's Core Strategy.

As such, it is our view that the component parts that make up the 4,004 homes per annum are a solid starting point for considering OAN for the HMA and LPA's. Should these figures then subsequently be uplifted to reflect either affordability, market signals or employment need, then this must be undertaken at the HMA level as to increase delivery in 1 area as a result of such issues is likely to have a significant influence on migration patterns, hence moving need/provision between local authority areas primarily within the HMA.

Having regard to this, it is important to reference the agreement of the Shadow EPB in November 2014, to continue planning for the housing distribution set out in the initial Joint SHMA. This agreement has subsequently been endorsed by all local authorities in the sub-region, and recognises that Coventry cannot meet all of its need within its own boundary. It also recognises however that the detailed extent of this has not yet been finalised and that issues remain around capacity within the shires and developing appropriate evidence to ensure the most sustainable areas are identified.

Notwithstanding, this process has identified a clear level of agreement between the 6 authorities, both around initial housing need (an OAN) and how this can be amended to reach housing requirements.

9) What is the evidence that the level of need in individual authorities and the HMA as a whole will be met i.e. in terms of capacity assessments/SHLAAs/Green Belt studies etc.?

The 6 authorities have recently approved a joint SHLAA methodology which is to be trialled by Rugby and Coventry Councils in the coming months. This has been developed through stakeholder workshops and consultation and has received endorsement from a range of sectors.

As part of developing this shared platform, an initial 'stock take' was made of existing SHLAA methodologies. This showed that the LPA's were already reasonably aligned in terms of their SHLAA methodologies and that the principle areas of difference were more a case of presentation and assessment detail. The Shared approach to developing

SHLAA's will be a key part of assessing capacity across the HMA moving forward.

Based on work already undertaken on SHLAA's however it has become clear that the needs of the HMA will not be met without proposing amendments to the Green Belt, this is particularly true in Coventry, and within Warwick where proposals are made as part of this plan. As a result an assessment of the Coventry and Warwickshire Green Belt has been commissioned, and at the time of writing remains under development. This document will therefore form an important part of reviewing Green Belt boundaries moving forward.

10) Will there be unmet needs within the HMA? In particular will there be unmet needs in Coventry? If so, what is the scale of this unmet need?

It was recognised in the shadow EPB report of November 2014 that Coventry would be unable to meet its housing needs, which amounted to 36,220 homes between 2011 and 2031 (as evidenced by the Joint SHMA Annex). This has been supported by the City Councils draft SHLAA of September 2014, which identified a housing land supply (including land within the city's Green Belt) of around 23,300 homes. Although this is under review and will need to have regard to further evidence, most notably in relation to the Green Belt, it does offer a reasonable reflection of the pressures facing the city at this time. It is certainly highly unlikely, given the city's tight administrative boundaries, that land for a further 13,000 homes could be identified in a sustainable way.

As a result the shadow EPB turned to the initial distribution of need set out in the Joint SHMA (2013). This was a distribution already being tested by most of the authorities, and an approach already found sound by the Inspector of North Warwickshire's Core Strategy. It was also an approach and distribution that through the initial Joint SHMA had been found to provide a solid basis to reflect migration, commuting and affordability dynamics across the sub-region.

When considered alongside the 2012 based population projections, this approach technically results in a redistribution of need from the City to the Shires, but due to the uplift in total HMA need does leave a small proportion of housing need currently unplanned for. As such, this becomes a 2 phased redistribution process. The first, accounting for approximately 8,000 homes (around 400 a year) is now being tested and planned for (depending on the stage of Local Plan development) across Warwickshire. For example it includes around 108 homes a year in Warwick District. The second phase covers the remaining 4,700 homes, although it is subject to change depending on SHLAA updates (currently equivalent to around 234 homes a year on average). It is important to note that this accounts for just 14 months' supply across the HMA, which when considered in the context of a 15 or 20 year plan period is small. As such, it is this figure that accounts for both the unmet needs of Coventry (from where it originates in demographic terms at least) and of the HMA as a whole.

11) What are the issues as far as Warwick District is concerned in addressing unmet needs from other authorities i.e. Coventry?

We consider this a question for WDC specifically.

12) What is the situation regarding housing needs beyond the HMA i.e. Greater Birmingham affecting the HMA? What form has co-operation with other relevant authorities taken? What has been the outcome?

It is well recognised that Birmingham City Council in particular have substantial housing pressures, and that as a result are exploring options alongside the Greater Birmingham and Solihull LEP and the Black Country LEP to help meet these needs in full within the most sustainable locations. Given parts of the Birmingham HMA overlap with the Coventry and Warwickshire HMA at North Warwickshire and Stratford there is a chance that some of the wider Birmingham housing needs will be met across this HMA. The possibility of this has been acknowledged by the shadow EPB, however at the time of writing no detailed requirement or redistribution proposals have been published by Birmingham.

13) Has the issue of unmet need within the HMA or beyond been addressed and resolved?

It is our view that the issues of housing needs and especially the pressures emanating from Coventry have been embraced and managed in a robust, transparent and appropriate way.

The City Council acknowledges the steps that Warwick DC have taken to make initial provision for some 108 homes per annum as evidenced by the Councils endorsement of the shadow EPB report at its March Council meeting. As part of the Councils initial response to the WDC Local Plan, the Council also endorsed the commitment through policy to reviewing the plan should land be identified within WDC to meet the outstanding need of the city. In doing so it was the view of the Council that to make such a commitment in policy ensured it went to the heart of the plan and gave it substantial weight.

Furthermore the subsequent endorsement of the local plans timetable by the shadow EPB in November 2014 and the 6 LPA's in the HMA in early 2015 give even greater weight to this commitment to ensuring housing needs are met in a sustainable, deliverable and robust way.

14) How does the Local Plan deal with the issue? Is this an appropriate approach?

Please see the response to question 13

15) What are the implications for compliance with the duty to co-operate of not addressing this issue at this stage?

Meeting housing needs is an integral part of the Duty to Cooperate. It is not a simple task however and is not something that can be managed

overnight. In the last 2-3 years the 6 authorities within the HMA have worked jointly in a constructive and effective way to reach a position whereby each authority is planning for a significant step change in housing delivery, whilst across the HMA as a whole making plans for urban extensions, urban regeneration, new towns and small infill sites. This offers a varied and flexible housing land supply offer that will be suitable to meet the challenges of the next 5, 10, 15 years. At this stage the HMA is facing a level of unmet need equivalent to 14 months' supply. This must be kept in perspective.

This issue has clearly been addressed and met head on meaning the duty to cooperate in relation to housing need has clearly been met and discharged.

16) What additional work is required to address and resolve the issue of fully meeting OAN for the HMA? What progress has been made? What agreements are in place?

Please see the response to questions 13-15.

17) In overall terms has the Council engaged constructively, actively and on an on-going basis in maximising the effectiveness of the preparation of the Local Plan? What has been the outcome of co-operation and how has this addressed the issue of housing provision?

As set out in the Councils response to Warwick Districts Proposed Local Plan in 2014, it is the view of the City Council that Warwick DC has met their responsibilities under the Duty to Cooperate.

Other matters requiring co-operation

For each of the other strategic matters

18) What are the particular issues?

In terms of other strategic issues, it is worth noting the work undertaken in relation to the proposed Coventry Gateway – an employment proposal situated around Coventry airport that technically straddles the administrative boundaries of Coventry and Warwick to the south east of the city.

Of further significance is the expansion of Warwick University, which also straddles the boundary to the south west of Coventry.

19) Who has the Council engaged with? When did this engagement begin, has it been active and on-going and what form has it taken?

Joint working between Coventry City Council and Warwick District Council in relation to the Gateway proposals has been on-going for the past 3 years. This has involved bids for Enterprise Zone status, a planning application and subsequent call-in inquiry as well as on-going work to develop evidence and policy to support the proposed site allocation.

In terms of Warwick University, joint working has been on-going for many years with both Councils committed to supporting its future success. Indeed the current masterplan for the University campus was approved by Coventry City Council in 2009

20) In overall terms has the Council engaged constructively? What has been the outcome of co-operation and how has this addressed the issue?

Engagement on both areas has been on-going and constructive, having regard to a wide range of issues, including economic growth, job creation, environmental remediation, regeneration and supporting infrastructure.

In terms of the Gateway site, although the bid for an Enterprise Zone status was unsuccessful and the initial application refused by the Secretary of State, the principle issues for this have rested primarily in the existing Green Belt status of the land and the need to examine this through a Local Plan process. The scheme itself however has the full backing of the 6 local authorities within the sub-region as well as the County Council and the LEP.

In terms of the University, the Council have approved the current masterplan, as well as a number of supporting buildings and facilities to support its continued growth and prosperity. This is support shared by Warwick DC and is evidence by the proposed allocation in this plan. This shared support was welcomed by the City Council as part of its initial response to the Warwick DC proposed local plan.

21) Are there cross boundary issues in relation to any of the proposed site allocations such as transport or other infrastructure requirements?

In relation to the Gateway proposal, many of the infrastructure issues associated with the scheme are currently being delivered as part of the Toll Bar Island improvements. These works do to an extent straddle the boundary between Coventry and Warwick and are expected to be completed in 2016/17.

Of further consideration is the infrastructure required to support Warwick University. Alongside the further works for the Gateway development, it is our understanding that this is incorporated within the draft IDP at row T42.



Cllr John McNicholas

Deputy Cabinet Member – Business, Enterprise and Employment