

**Examination of the Warwick District Local Plan
Initial Examination Hearings
Matter 1: Duty to Cooperate**

Main Issue: Whether the Council has complied with the duty to cooperate in the preparation of the Local Plan

General

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

1. For the purposes of Section 33A of the Planning and Compulsory Act, Lenco Investments consider that the provision of homes and employment, and achieving a sustainable interrelationship between the two is a strategic matter for the Authority. In the context of the Duty to Cooperate, Paragraph 110 (4) defines strategic matters as those that have a significant impact on at least two planning areas, or in connection with strategic infrastructure.

Inspectors Question 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.

2. This matter is considered to be one for the Council to define as part of the examination.

Overall Housing Provision

Inspectors Question 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?

3. The extent of the HMA is correct.

Inspectors Question 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?

4. As defined through the Planning Practice Guidance (paragraph 2a-011-20140306 refers), commuting data provides contextual information on the spatial structure of the area and affect the location of households.
5. The Office for National Statistics (ONS) publishes commuting flows data, taken from the 2011 Annual Population Survey. This data is considered robust and accountable as part of the evidence to the Warwick Local Plan.

6. The evidence from ONS available online¹ highlights Coventry and Stratford on Avon as the most significant linkages in terms of travel to work. In particular, there are 9,330 residents in Warwick commuting to Coventry, compared to 5,850 commuters travelling in the opposite direction. In Stratford on Avon, the numbers in/out commuters are more balanced.

Inspectors Question 5) How do these interrelationships affect Warwick District specifically?

7. The Councils Duty to Cooperate Statement [LP22] recognises at paragraph 3.2.2 that with regard to commuting and migration, Warwick shares a very strong relationship with Coventry and Stratford. This is consistent with the travel to work data provided by ONS.
8. Warwick District is currently a net exporter of labour to the larger centre of Coventry City. This, however, is likely to change as a result of the sub-regional Coventry Gateway site, planned on edge of Warwick District.
9. The assessment of commuting rates should be a contributing factor in determining the Objectively Assessed Need (OAN) in conjunction with cross-boundary Authorities.

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

10. This information has not been outlined in the Warwick Duty to Cooperate Statement and as such, clarification from the Council is expected on this matter.

Inspectors Question 7) What form has co-operation taken? Has it been ongoing during the preparation of the Local Plan?

11. This information has not been outlined in the Warwick Duty to Cooperate Statement and as such, clarification from the Council is expected on this matter.

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

12. The Duty to Cooperate Statement [LP22] sets out (paragraph 5.24 refers) that the HMA authorities confirmed support in March 2014 for a 'housing requirement' figure of 3,750 to 3,800 dwellings² between 2011 and 2031.

¹ http://www.neighbourhood.statistics.gov.uk/HTMLDocs/Commute_APS_Map/Index.html

² Table 97 Overall Assessed Need for Housing (2014 SHMA)

13. More recently, however, it is understood that the HMA authorities have now agreed a the revised OAN for the HMA a 4,004 dwellings per annum derived from the 2014 SHMA Addendum (paragraph 5.2.8 of the DtC Statement refers). This figure is, however, only based upon demographic factors as set out in RPS Matter Statement 2 and has not undergone the second stage of considering whether uplift is required to take into account economic factors or market signals.
14. Therefore while on the face of it there appears to be agreement on the level of OAN for the HMA as a whole, the 4,004 figure is not an OAN figure as it does not consider market signals uplift, nor does it consider economic implications for individual authorities.
15. Therefore, while there may have been agreement in March 2014 to an OAN that was based upon a demographic need uplifted to include a market signals allowance and economic considerations, the authorities appear now to only agree on the base demographic level of need.
16. On the basis of the above, there does not appear to be any form of agreement on what the OAN is that considers market signals, affordability and economic growth at the HMA level, or with each individual authority.
17. Paragraph 159 requires local planning authorities to have a clear understanding of housing needs in their area. Without agreement on the OAN and distribution of it as contained within the 2014 SHMA addendum, Warwick District Council and the other HMA partners cannot have a clear understanding of what their respective OAN is.
18. The test of paragraph 159 has not been met.

Inspectors Question 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.?

19. There is no clear evidence that the level of need will be met within the HMA.

Inspectors Question 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?

20. There will be unmet needs within the HMA. Evidence is provided within the latest Coventry City Local Plan consultation that sets out that the City had an urban brownfield capacity for 16,500 dwellings. The OAN for the City according to the agreed HMA figures was 23,600 dwellings (1,180 dwellings per annum). This results in a deficit of some 7,100 dwellings from Coventry City alone to find. There is no clear mechanism by which the City has identified how this will be met, or whether it requires assistance from partner HMA authorities.

21. However, the SHMA Addendum now identifies the base demographic component of Coventry's OAN as now 36,220 (1,811 dwellings per annum over 20 years – Figure 12 refers), which given an urban capacity of only 16,500 dwellings means that the deficit to be found is 19,720 dwellings for Coventry alone. Once market signals are factored into the OAN for Coventry City (Figure 14 of the SHMA addendum), the OAN is 41,120 (2,056 dwellings per annum), leaving a deficit of 24,620 dwellings in the HMA.
22. It is clear that there will be unmet need within the HMA as a result of Coventry, and while the level of need that can be accommodated within the City's boundary is not yet published, it is clear that the urban areas can only accommodate 16,500 dwellings. Therefore there is a need for between 19,720 and 24,620 dwellings to be found either within Coventry City's administrative area, or partner HMA authorities.
23. It is also noted that Coventry City has published a draft Strategic Housing Land Availability Assessment (SHLAA) in September 2014. This document proposes adjusted housing supply figures, predicated on significant releases of the Green Belt. Even accounting for these figures (illustrated in Tables 3 and 4 of the SHLAA) there is a deficit in supply between 17,971 and 19,003.

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

24. Paragraph 47 of the NPPF requires local planning authorities to use their evidence base to ensure that their Local Plan meets the full OAN for market and affordable housing in the HMA, as far as is consistent with the policies set out in the NPPF. This includes identifying key sites which are critical to the delivery of the housing strategy over the plan period.
25. Warwick District Council is part of the same HMA, adjacent to Coventry City and has identified a regional employment site within its administrative boundary adjacent to Coventry City. The key issue for Warwick is clearly that it, along with the other HMA authorities (5.3.8 of the DtC Statement refers) has identified the location of the Gateway site to fulfil the "leading role as the sub-region's premier strategic employment site". The District therefore has a fundamental role in the delivery a significant component of the HMA/Function Economic Area's CWLEP's economic growth strategy. While it has welcomed and proactively sought to play this role in terms of economic growth and jobs, it has set no clear strategy to assist in the delivery of the level of new homes associated with such levels of growth.
26. The approach of Warwick District and the HMA authorities is one of planning for significant levels of economic growth to boost the local economic, which is welcomed and positively prepared in the context of the NPPF (paragraph 19), however, with clear agreement reached on the levels of new employment and location. However conversely, the corresponding requirement to ensure that the focus of significant

development in sustainable locations in respect of new homes is entirely absent from the strategy.

27. The Council, and its HMA partners appear entirely comfortable it seems planning for substantial regionally significant employment as part of its development plan policy framework and yet no corresponding plan or strategy exists for homes to support such economic growth.
28. The key issue, therefore for Warwick District is justification for a level of housing that does not support it and its partners plans for economic growth and the resulting implication for unsustainable patterns of movement in the HMA.
29. Without a coordinated and agreed strategy for providing new homes to correspond to the level of economic growth envisaged, those seeking employment at the Gateway site will travel from adjoining authorities, or even further afield and no allowance appears to be made for this within adjoining authorities. Thus unless planned for in a comprehensive approach across a Functional Economic Market Area or HMA, the proposals at the Gateway site have the potential to either draw workers from other authorities and thus undermining their own economic strategies, or place increased pressure on those neighbouring authorities to provide homes for those working at the Gateway site and not provided for in Warwick District.
30. At present, the Councils and HMA partner authorities' strategy and evidence base for integrating housing and employment is unjustified in the context of paragraph 158 of the NPPF.

Inspectors Question 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?

31. There is currently a significantly level of unmet need arising from Birmingham and no resolution to how this will be accommodated either within Birmingham, or the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) area. At present there is no certainty of how this unmet need will be met either within the HMA, or outside of it, potentially within Coventry and Warwickshire.

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

32. As set out above, at present it is not apparent that the OAN for the HMA has actually been established, as the most recent agreement in the DtC Statement referring to 4,004 dwellings per annum for the HMA, does not represent OAN. Until this is appropriately established mechanisms for addressing unmet need cannot be fully established.

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

33. The issue of unmet need has not been addressed by the Plan. As identified in paragraphs 1.22-1.24 of the submission Local Plan, the Warwick Plan has looked inward towards its own OAN and consideration of unmet need from other Districts has been delegated to a Local Plan review, should unmet need be identified.
34. The Coventry and Warwickshire SHMA [H004] lay the foundations for cross-boundary discussions with neighbouring Authorities on how best to approach housing as a strategic issue, however little consideration has been given to this matter as part of the Plan. Evidence has long been available to Warwick Council on the housing need and supply in Coventry, yet there is no evidence that these issues have been engaged with. As it stands, there remains a significant shortfall in housing land in Coventry which should have been considered during the preparation of the Warwick Local Plan, in order for the Plan to be resilient to future change. This has not been undertaken and Lenco Investments considers this to be a serious omission of the Plan.

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

35. Principally, Lenco Investments considers this to be an issue of soundness. In the Duty to Cooperate Statement the Council has not adequately addressed how unmet need from Coventry will be met, however discussions have clearly taken place. The issue outstanding here is one of soundness and relates to the wider issue of housing need in the HMA.
36. The Council's strategy has not fully complied with paragraphs 47 and 159 of the NPPF, which requires that SHMAs are used to ensure that the full OAN for market and affordable housing is met in the HMA. The shortfalls in Coventry's housing need are clear and severe in nature. The Warwick Local Plan has made no attempt to address these and as such the Plan is unsound.

Inspectors Question 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?

37. The C&WSHMA authorities should undertake the following work:
- Identify and agree the full OAN for the HMA (paragraph 159 of the NPPF);
 - Identify the level of unmet need associated with any authority, primarily Coventry City (Paragraph 159 of the NPPF);
 - Identify a clear distribution strategy for meeting their full OAN, including unmet need within the HMA (paragraph 47 of the NPPF)

Inspectors Question 17) In overall terms has the Council engaged constructively, actively and on an ongoing 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?

38. No. While it is understood that the Council has actively and constructively engaged and on an ongoing basis to maximise the effectiveness of the preparation of the local plan in respect of establishing how strategic employment needs will be provided, particularly in respect of agreeing the allocation of a regionally significant employment site, it has failed entirely to match that effectiveness in the provision of an appropriate and commensurate level of housing provision to support it.

39. Unfortunately, the Councils in the HMA have acted swiftly to secure economic growth, which is in itself a proactive and positively prepared component of the Plan, however, in doing so they have failed to deliver the same level of effective plan preparation in respect of housing.