

 Council 24th February 2016		Agenda Item No. <h1 style="text-align: center;">14</h1>
Title	The Local Plan – Proposed Modifications	
For further information about this report please contact	Dave Barber dave.barber@warwickdc.gov.uk 01926 456065	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	13 th October 2015 Minute number 52	
Background Papers	Submitted Local Plan (January 2015). Inspector's Letters 1 st June 2015; 28 th August 2015 and 26 th October 2015;	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	No
Not relevant at this stage.	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	8/2/16	Chris Elliott
Head of Service	8/2/16	Tracy Darke
CMT	8/2/16	
Section 151 Officer		
Monitoring Officer	8/2/16	Andy Jones
Finance		
Portfolio Holder(s)	11/2/16	Stephen Cross / Andrew Mobbs
Consultation & Community Engagement		
N/A This report seeks approval to undertake consultation on the proposed modifications. It should be noted that this consultation will be undertaken in accordance with Regulation 19/20 of the Town and Country Planning Regulations. As such the consultation responses should only address issues of soundness with the Local Plan Proposals		
Final Decision?	Yes	

1. **Summary**

- 1.1 This report sets out a series of potential modifications to the Local Plan that are proposed in response to the Inspector's interim conclusions as identified in his letter dated 1st June 2015. This includes increasing the Plan's housing requirement to a minimum of 16,776 dwellings over the plan period and the allocation of a number of additional sites for housing. The report also updates the infrastructure requirements associated with the Plan's proposals. Finally, it presents an update to the Local Development Scheme.

2. **Recommendations**

- 2.1 That Council agree the modifications to the submitted Local Plan (the 2014 'Publication Draft' as amended by the 2014/15 'Focused Changes'), as identified in **Appendix 1** (Table of Proposed Modifications - part 1) and **Appendix 2** (Policies Map), for formal consideration by the Examination Inspector to directly address the issues of soundness identified in his letter dated 1st June 2015.
- 2.2 That the modifications to the submitted Local Plan, as set out in **Appendix 1 and Appendix 2**, will be subject to consultation for a period of six weeks commencing during the week of 7th March 2016. All representations made, along with the Council's modifications, will be submitted to the Local Plan Inspector.
- 2.3 That further modifications to the Local Plan are proposed, as set out in **Appendix 3**, and that these are subject to a future period of consultation following their consideration by the Inspector.
- 2.4 That the Head of Development Services, in consultation with the Portfolio Holder, will be authorised to take any steps which are considered expedient for the purpose of implementing recommendation 2.1 or promoting the objectives and interests of the Council at the independent examination. This includes endorsement of updates to the Sustainability Appraisal report for publication ahead of the period for representations.
- 2.5 That the Local Development Scheme be updated as set out in **Appendix 4**.
- 2.6 That, in parallel to the progression of the Local Plan, officers work with partners on preparing strategic proposals for the area to the south of Coventry to provide a framework for development both within and beyond the Plan period.

3. **Reasons for the Recommendations**

- 3.1 **Recommendation 2.1:** At its meeting of 28th January 2015, the Council agreed to submit the Publication Draft Local Plan for Examination. The submitted document was published in April 2014, but was accompanied by a table of proposed modifications (Appendix 1 of the report to Council, 28th January 2015) that the Council supported following the consultations

undertaken in May / June 2014 and November / December 2014 (Focused Changes). The modifications now proposed continue to be based on the Publication Draft April 2014, although where relevant they supersede overlapping modifications proposed at the time of submission.

- 3.2 The modifications identified in **Appendix 1 and Appendix 2** have been prepared to address the issues of soundness identified in the Inspector's initial findings set out in his letter of 1st June 2015 (EXAM23). The Inspector's findings included the following points:
- concern that there is an identified unmet housing need in Coventry and Warwickshire (at least 234 dwellings per annum). He suggests that this needs to be addressed (jointly with the other authorities in the Housing Market Area) before the Plan can proceed;
 - rejection of the collaborative process that had been undertaken to that point to address the unmet housing need – namely that the unmet need can be dealt with through early plan reviews. Instead he asks for the unmet need to be addressed in the current plan-making round;
 - concern that, regardless of whether the Council needs to provide more houses to contribute towards the unmet need, the total supply of houses set out in the Plan is not sufficient to meet the District's housing requirement, and in particular that the allowance made for windfalls was not justified or realistic. He also indicates that the Council needs to provide some "flexibility" above the minimum housing requirement in case some sites do not come forward;
 - concern that the Plan's proposals would not achieve a 5-year supply of housing upon adoption.
 - He therefore indicates a need to increase the number of houses proposed in the Plan, in addition to the need for the District to accommodate some of the wider unmet need within the Housing Market Area.

For these reasons he considers that the Plan (as submitted) is unsound.

- 3.3 The modifications set out in **Appendix 1 and Appendix 2** address these concerns as follows:
- Policy DS2 (Providing the Homes the District Needs) is amended to recognise that the Plan should provide for housing need arising outside the District
 - Policy DS6 (Level of Housing Growth) is amended to increase the Plan's housing requirement from 12,860 dwelling to 16,776 dwellings in line with the Housing Memorandum of Understanding for the Housing Market Area
 - Policy DS7 (Meeting the Housing Requirement) is amended to update the different sources of housing supply, including completions and commitments, windfalls and the number of dwellings to be allocated in the Plan
 - Policy DS10 (Broad Location of Allocated Housing Sites) is amended to reflect proposed revised distribution of housing

- Policy DS11 (Allocated Housing Sites) is amended to specifically identify the sites which need to be allocated within the Plan in the context of the proposed amendments to Policy DS6, DS7 and DS10. **Appendix 5** provides further details regarding the new sites to be allocated, including a summary of the infrastructure requirements associated with them.
- Policy DS12 (Allocation of Land for Education) is amended to allow for the proposals for Southcrest Farm, Kenilworth to include some housing as well as educational facilities.
- Policy DS15 (Comprehensive Development of Strategic Sites) is amended to reflect the importance of bringing forward the additional strategic development sites in a comprehensive manner, including providing the necessary infrastructure.
- Policy DS19 (Green Belt) is amended to reflect the need to remove some additional areas of land from the Green Belt to enable sites to be allocated for housing and to safeguard land that may be utilised, if required, to meet longer-term strategic development needs beyond the Local Plan period
- Policy DS20 (formerly Accommodating Housing Need Arising from Outside the District) is amended to provide a more broadly-based Plan Review policy. This reflects the revised sub-regional approach to meeting housing need as set out in the Coventry and Warwickshire Memorandum of Understanding.
- Policy DS NEW1 (Directions for Growth South of Coventry) is added to ensure this growth area is considered in a comprehensive manner both across the different site allocations and beyond the Plan Period.
- Policy DS NEW2 (Safeguarded Land) is added to identify the location of necessary Green Belt boundary revisions beyond the plan period, to help establish opportunities to meet longer-term requirements.
- Policy DS NEW3 (Former Police Headquarters, Woodcote House) is added to reflect the allocation of this site within Policy DS11 and to ensure this complex site is brought forward in line with a comprehensive masterplan that takes account of the site's sensitivities.
- Policy DS NEW4 (Allocation of Land for the Provision of Outdoor Sport) is added to enable sports clubs in Kenilworth to grow in the context of new and previously proposed housing allocations.

3.4 In addition, the Infrastructure Delivery Plan has been (and will continue to be) updated to reflect the additional housing allocations and revised evidence from infrastructure providers. This is shown in **Appendix 6**.

3.5 Recommendation 2.2: In his letter of 26th October 2015, the Inspector agreed to a suspension of the Examination in line with the timetable agreed

by Council in October 2015. This identified a period for public consultation during February and March 2016. However, as a result of the timing of the publication of the Asps and Gallows Hill appeal decisions, the agreed timetable has been delayed. The six week consultation period will therefore now commence in early March and will end in mid-April. As this consultation is taking place after the publication of the Local Plan it needs to be undertaken in line with Regulation 19/20 of the Town and Country Planning (Local Planning) Regulations 2012 and should accord with the Statement of Community Involvement (SCI). This requires that a period for representations should be a minimum of six weeks. Assuming that Council agrees to the other recommendations of the report, officers will require a short period of time to prepare for the consultation process. It is therefore proposed, the consultation period should commence during w/c 7th March 2016.

- 3.6 **Recommendation 2.3:** due to changes in the national context and local circumstances three further modifications are proposed as set out in **Appendix 3**. As these do not directly address the issues raised by the Inspector to date they do not form part of the consultation to be undertaken in March and April. Instead, these modifications will be put forward to the Inspector (along with a range of other modifications agreed in January 2015) for consideration through the Examination in Public. If the Inspector concludes the modifications are reasonable they will then be subject to a future consultation. At that time it would be open for the Inspector to re-open the hearings should the issues arising from the consultation require this.
- 3.7 **Recommendation 2.4:** The Examination in Public process will almost certainly require officers to represent the Council at hearings to justify and support the Council's agreed policy set out in the Publication Draft (as modified). This recommendation authorises the Head of Development Services to carry out all the administrative, procedural and other ancillary work necessary to move the Plan through the Examination stage, including any additional work on the evidence base and supporting information. In addition, if the Inspector asks the Council to consider further modifications in order to make the Plan sound, it would enable the Head of Development Services (or the officers she delegates responsibility to), in consultation with the Portfolio Holder, to work with the Inspector to develop possible further amendments that will help the Inspector reach conclusions on the soundness of the Plan. In considering this recommendation, Members should bear in mind that it would not authorise the Head of Development to bind the Council to make any new amendments. The Inspector would recommend amendments and the final decision on whether or not to adopt the Local Plan with those amendments at the end of the Examination process will still lie with the Council.
- 3.8 **Recommendation 2.5:** The Council is required to prepare and maintain a Local Development Scheme (LDS) setting out the formal planning documents that are being proposed and the timetable for preparing them. The last LDS was published in July 2015. This now needs to be updated. **Appendix 4** shows the LDS that has been prepared to reflect the revised

Local Plan timetable agreed with the Inspector. Inevitably, this timetable has had knock-on impacts on other planning documents, including the Gypsy and Traveller Development Plan Document, the Community Infrastructure Levy Charging Schedule and other Development Plan Documents that will be prepared following adoption.

- 3.9 **Recommendation 2.6:** Policy DS NEW1, set out in appendix 1 to this report, provides the framework to ensure that the proposed Local Plan allocations to the south of Coventry are brought forward in a way that takes account of other development sites within the vicinity and takes account of longer term development potential in the area that is not currently part of the Plan's allocations. However, there is a need to ensure that the whole area is planned strategically including in relation to a number of development pressures that are emerging, but are at a stage that mean they cannot currently be specified in the Local Plan. These include for example, future University of Warwick plans, the potential for further housing development and the case for a new strategic highways link within the area. It is important that work on the strategic framework is commenced quickly to ensure clear evidence is prepared to support future decisions and to prepare the way for a partial Review of the Plan. This work will be undertaken in conjunction with key partners such as Warwickshire County Council, Coventry City Council, the University of Warwick, landowners and developers, HS2 Ltd and other parties with an interest in the area. It is expected that the outcomes of this work will inform Memoranda of Understanding between the key parties to demonstrate a robust and clear commitment to a shared way forward that can
- support investment decisions,
 - ensure allocated sites are brought forward with an understanding of wider development potential
 - prepare the ground for a future partial Plan Review.

4. **Policy Framework**

- 4.1 **Submitted Local Plan** – The report seeks to ensure the successful progression of the submitted Local Plan through examination to adoption.
- 4.2 **Fit for the Future** – The Local Plan will need to align with and help deliver the Sustainable Community Strategy (SCS) and the Council's Fit for the Future programme where appropriate. It will also need to align with partners' documents, such as the Warwickshire Local Transport Plan.
- 4.3 **Impact Assessments** – During the preparation of the Local Plan an Equalities Impact Assessment was undertaken. This looked at a wide range of potential impacts and concluded that three areas needed to be focussed on in addressing potential negative impacts: consultation, housing mix / affordable housing and Gypsies and Travellers. The preparation of the Plan has addressed these three issues, with further extensive consultations in line with the Statement of Community Involvement; a clear and strong approach to affordable housing (see policy H2) and housing mix (see Policies H4, H5 and H6); and ongoing work to identify suitable sites to

provide for the accommodation needs of Gypsies and Travellers (see policies H7 and H8).

5. Budgetary Framework

- 5.1 At its meeting on 28th January 2015, the Executive approved a budget of £120,000 to be set aside from the Planning Appeals Reserves to support the Local Plan Examination. In the main, this budget was allocated to support the costs of the Inspector and the Programme Officer. This budget will still be required to support the completion of the examination.

6. Risks

- 6.1 Section 7 of the report to Council on 12th August 2015 set out in some detail the risks associated with a period of suspension. These risks broadly remain valid and can be updated as follows.

- Limiting the range of site options that can be considered: whilst the work carried out to date indicates that the strategy of the submitted Local Plan continues to be justified and reasonable, it does limit the Council's ability to progress sites that align with other strategic spatial options such as dispersal or a new settlement. This will inevitably limit the range of site options that officers are able to put before members. There is therefore a fine line to be trodden between providing sufficient sites to meet the new housing requirement and avoiding substantial changes to the Plan's agreed strategy. The proposed modifications seek to strike this balance.
- Housing Trajectory and 5-year Land Supply: there is a risk that the evidence arising from the trajectory of housing delivery (based on the timing of delivery for each site) will not deliver a 5-year housing land supply on adoption of the Plan, particularly if the level of flexibility is restricted. The evidence indicates that the proposed modification will provide a 5 year housing land supply on adoption.
- Satisfying the Inspector that progress is being made in identifying an appropriate supply of housing: the Inspector has indicated in his letter of 26th October 2015 that he expects an update at the end of January 2016, by which time the Council anticipates that it will have identified additional sites for consultation. By requiring this, the Inspector is emphasising the need to make rapid and robust progress. There is therefore a risk that his agreement to a suspension will be withdrawn if the Council fails to make sufficient progress or puts forward proposals that do not address the housing requirement set out in the MOU. To address this, the Council has updated the Inspector at the end of January and will provide a further update once this report has been considered.
- Satisfying the Inspector that the proposed modifications do not represent a substantial change to the Plan's strategy: this has been highlighted in previous reports to Council (see paragraphs 3.13 to 3.15 of the report on 13th October 2015). Whilst steps are being taken to address this risk, the Inspector has made it clear that he is concerned about the extent of change with regard to the scale and distribution of

housing, particularly given the considerable proportion of the district covered by Green Belt; there remains a significant risk that the Inspector will still require the Plan to be withdrawn for this reason.

- Planning Appeals: the outcomes of two major planning appeals (The Asps and Land South of Gallows Hill) for housing development have now been received. In total these two proposals have the potential to provide for around 1350 dwellings. They also have potential implications for the assessment of adjacent land. The additional dwellings provided by these sites have been included in the supply of housing for the Local Plan.
- Nuneaton and Bedworth Borough Council (NBBC) and the MoU: NBBC has not agreed to the Housing Distribution MoU. The principal reason for this is that they have not published work on the Borough's housing capacity and they therefore decided they were unable to commit to providing for a portion of Coventry's unmet need. The NBBC is currently completing its draft Strategic Housing Land Availability Assessment. Once the draft is complete, it will be scrutinised by the other councils in Coventry and Warwickshire to ensure that it provides a robust and complete picture of the Borough's capacity. It is possible that the SHLAA will demonstrate that NBBC cannot fully meet their portion of Coventry's unmet need. If this is the case, the MOU will need to be reviewed with potential consequences for the local plan proposals and timetable.
- Other aspects of the Plan that haven't yet been examined: to date the Examination has only considered matters relating to Duty to Co-operate, the housing requirement and housing supply. It has not looked at the proposed site allocations, nor has it considered the range of development management policies set out in the draft Plan. There is a risk that other aspects of the Plan may be found unsound and that it may need further modifications.
- The Plan may be found unsound: there remains a risk that even though the Inspector has agreed to a period of suspension, he will still find the Plan unsound. The Inspector's agreement to a suspension in no way indicates that he thinks the emerging proposals are necessarily sound. Clearly such an outcome would lead to substantial additional delay.

6.4 In reaching a balanced decision on the way forward, the risks outlined above need to be offset against the risks associated with a more substantial delay, in the event that the Plan is withdrawn as set out in paragraph 7.2 of the report to Council on 13th October.

7. Alternative Option(s) considered

7.1 **Recommendation 2.1:** To continue with the submitted Local Plan, the Council needs to submit modifications identifying additional housing land to address the Inspector's initial findings. There are possible alternatives to some of the specific modifications that have been proposed. For instance, a different housing requirement could be put forward; however officers consider that the requirement proposed in the modifications is consistent with the evidence and that a lower housing requirement would significantly increase the risk that the Plan will be found unsound. However, officers have carefully assessed both the individual sites and their overall distribution. They consider that the proposed allocations are supported by

the evidence and that alternative proposals are not sufficiently well justified by the available evidence; the inclusion of poorly-evidenced sites is liable to be challenged, which would be likely to lead to the plan requiring further modifications.

- 7.2 Council could decide not to agree the modifications. The consequence of this is likely to mean the Local Plan will need to be withdrawn and work would need to be commenced a new Plan. This would put the District at greater risk of having to accommodate growth in an unplanned way. Further, it is possible that the Secretary of State would intervene in our Local Plan, potentially removing the Council's control over the progress of the Plan. Finally, by not having a submitted Plan, there is a risk that funding streams, such as New Homes Bonus would be reduced.
- 7.3 **Recommendation 2.2:** The Inspector has indicated that he expects public consultation to take place prior to the Council submitting the modifications to him. There are therefore no alternatives to this recommendation, although as explained in paragraph 3.4, the timing is subject to the outcomes of ongoing work regarding the 5-year land supply. The regulations require that the period of representations is not less than 6 weeks. The Council could therefore agree to a longer period of representations. However this could potentially lead to a delay to the timetable that was agreed with the Inspector. It is not possible to start the consultation earlier than w/c 7th March due to the preparatory work that officers will need to carry out. Further, delaying the consultation beyond that week could potentially lead to a delay to the timetable. Therefore, alternative timescales for the consultation period have been discounted, unless the work on the 5-year supply makes the proposed timetable unachievable.
- 7.4 **Recommendation 2.3:** The Council could choose not to put forward further modifications proposed in **Appendix 3**. However, officers consider that the issues that proposed amendments seek to address will form part of the examination and that in this context it makes sense to set out proposed modification now.
- 7.5 **Recommendation 2.4:** the Council could choose to delegate this responsibility to another officer. However, it is a role for a professional planner and the Head of Development Services is considered best placed to undertake this work. The recommendation also indicates that this should be done in consultation with the Portfolio Holder, who is the Lead Member for the Local Plan. Whilst it would be possible to delegate this to another Member, this does not seem appropriate. The Council could also choose to ensure that reports are brought to members whenever any changes are being contemplated. However, this would be a cumbersome process and could result in significant delays in the Examination process. It is also considered that this is not necessary since members retain the final decision on whether the Plan should be adopted or not.
- 7.6 **Recommendation 2.5:** As the timescales regarding plan production have changed since July 2015, the Council has updated the LDS. Each of the

proposed planning documents within the LDS could be prepared according to a different timescale. However the timetable proposed for the Local Plan accords with the timetable agreed by Council in October and with the Local Plan inspector. There is therefore only limited scope to change the timetable for the Local Plan without reverting to the Inspector.

- 7.7 **Recommendation 2.6:** Council could decide to defer the work proposed in recommendation 2.6 until the Local Plan has progressed. Alternatively, Council could decide not carry out the work at all. However, in both these circumstances, opportunities for investment and for the comprehensive strategic planning area could be missed. Further, the work has the potential to demonstrate to the Inspector that the Local Plan’s proposals for this area are deliverable within a relatively short timetable and the allocated sites can realistically deliver against the housing trajectory.

8. Background

- 8.1 Since the Local Plan was published in May 2014, it has been subject to modification proposals on three occasions. The first modifications were identified through the Focused Change consultation, which was undertaken in autumn 2014. A further set of modifications were then put forward in January 2015 when the submission draft Local Plan was approved. These modifications have not yet been subject to a period of consultation. The modifications now being suggested are split into two parts; those that directly address the points of soundness raised in the Inspector’s letter of 1st June 2015 (these will be subject to the public consultation in March/April 2016), and those that are proposed for other reasons (these will not be subject to consultation before they have been examined). The Inspector will consider all representations made on the main modifications, together with all the other previously, duly made representations made on the Submitted Local Plan. Minor modifications relate to factual updates and changes which don’t affect soundness are not significant, and it will be for the Council to consider any necessary changes required. The situation with regard to each stage of modifications is set out below:

Date of Modifications	Plan Stage	Status
Autumn 2014	Publication (Focused Changes to Consultation Draft)	Representations considered prior to submission Form part of submitted Local Plan
January 2015	Submission	Response to 2014 representations To be considered during the Examination Where modifications are major, they will be subject to a future period of representations
February 2016	Examination	Address issues of soundness raised by

Date of Modifications	Plan Stage	Status
(part 1)		Inspector Subject to period of representations in March/April 2016
February 2016 (part 2)	Examination	To address emerging issues To be considered during the Examination Where modifications are major, they will be subject to a future period of representations

- 8.2 The next stages of the Examination may also generate the need for consideration to be given to further main and minor modifications. It is proposed that these, along with the modifications proposed in January 2015 and February 2016 (part2) will form a package of proposed modifications to be consulted upon after the completion of the Examination hearing but prior to the receipt of the Inspectors full report into the Local Plan.
- 8.3 The current package of Proposed Modifications (part 1) is confined to changes to the Plan that are required to address the Inspector's findings. This approach has been agreed with the Inspector and it is hoped these modifications will enable the Examination process to be recommenced in May 2016.
- 8.4 This means the changes set out in Appendix 1 of this report are related to:
- Incorporating an increased housing requirement (16,776 dwellings) into the Local Plan in line with the Coventry and Warwickshire MoU
 - Establishing the sources of supply to meet this requirement including allocating additional sites
 - Amending or introducing policies required to guide the implementation of recommended housing allocations.
- 8.5 If the recommended uplift in the housing requirement is not addressed as set out above and subject to formal consultation, given the Inspector's comments about the unsoundness of the submitted housing requirement, it would be extremely unlikely that the inspector would allow the Examination to continue and the Council would be invited by the Inspector to withdraw the submitted plan.