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|  Executive 28th September 2016 2015 | | Agenda Item No. 7 |
| Title | Coventry and Warwickshire Employment Land Memorandum of Understanding | |
| 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| Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?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 | | |
| Background Papers | Submitted Local Plan (January 2015). Local Plan Modifications (February 2016) | |

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| 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 | | Chris Elliott/Bill Hunt/Andy Jones |
| Head of Service | | Tracy Darke |
| CMT | | Chris Elliott, Bill Hunt, Andy Jones |
| Section 151 Officer | | Mike Snow |
| Monitoring Officer | | Andy Jones |
| Finance | | Mike Snow |
| Portfolio Holder(s) | | CLlr Stephen Cross |
| Consultation & Community Engagement | | |
| N/A | | |
| Final Decision? | Yes | |

1. **Summary**

- 1.1 This report seeks endorsement for the Coventry and Warwickshire Employment Land Memorandum of Understanding which was supported by all Councils at the Coventry and Warwickshire Joint Committee on 21st July 2016

2. **Recommendations**

- 2.1 That the Executive endorses the Coventry and Warwickshire Joint Committee for Economic Growth and Prosperity (CWJCEGP) Memorandum of Understanding relating to the planned distribution of Employment (ELMOU) shown in **Appendix 1**.

3. **Reasons for the Recommendation**

- 3.1 At its meeting on the 21st July 2016 the CWJCEGP considered an Employment Land Memorandum of Understanding (ELMOU) to ensure the employment land needs of the Coventry and Warwickshire are met in full.
- 3.2 The ELMOU sits alongside the Housing MoU agreed by the CWJCEGP in September 2015 and endorsed by the Council on 13th October 2015. The ELMOU was supported by the Leaders of all the Councils in Coventry and Warwickshire. The ELMOU is based on evidence regarding the overall employment land need for Coventry and Warwickshire and the requirements for each individual authority to specifically address the shortfall of employment land in Coventry and set out the agreed approach to redistribute this to the Warwickshire Authorities. It does this by taking account of the implications of the Housing MoU and commuting patterns to identify a theoretical quantum of redistribution to each of the Warwickshire Authorities. It then applies a pragmatic adjustment to this to take account of existing commitments and proposals within each District, including the proposals for the sub-regional employment site in Warwick District. For Warwick District, the ELMOU suggests 117 hectares of Coventry's shortfall is redistributed to Warwick District. This is consistent with the Local Plan employment proposals for a sub-regional employment site in the vicinity of Coventry Airport and supports the overall quantum of employment land set out in the Local Plan.
- 3.3 A further key point in the ELMOU is a commitment for the authorities to work together to develop their evidence base and monitoring of market signals and intelligence to help manage and maintain appropriate employment land provisions across the sub-region on an ongoing basis. The ELMOU recognises the importance of market intelligence in understanding employment land requirements on an ongoing basis as set out in the Planning Practice Guidance. Whilst this work is currently being coordinated by the Coventry and Warwickshire Local Enterprise Partnership, it will be necessary for our officers to provide regular monitoring information on employment land supply and any information on market demands.
- 3.4 The ELMOU will form a key part of the evidence to support the Local Plan's housing proposals. However, it is important that not only Warwick District Council endorses the ELMOU, but all the other 6 authorities also formally endorse it. This is necessary to support progress for all the Local Plans/Core Strategies under preparation in the sub-region. The timetable for each is as follows

| Authority | Proposed date for endorsement |
|-----------------------|--------------------------------------|
| Coventry CC | 11th October 2016 |
| North Warwickshire BC | September 2016 |

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|------------------------|---------------------------------|
| Nuneaton & Bedworth BC | September 2016 |
| Rugby BC | 5th September |
| Stratford-on-Avon DC | September 2016 |
| Warwick DC | 1 st September |
| Warwickshire CC | Endorsed using delegated powers |

4. **Policy Framework**

- 4.1 **Submitted Local Plan** – The report seeks to support the successful progression of the submitted Local Plan through examination to adoption. The recommendations are consistent with the Local Plan proposals
- 4.2 **Fit for the Future** – The recommendations are consistent with the prosperity theme of the Sustainable Community Strategy (SCS) by ensuring the sufficient land is allocated to meet employment land needs during the Local Plan period and the Council's Fit for the Future programme where appropriate.
- 4.3 **Impact Assessments** – No direct impact assessment has been undertaken in relation to the ELMOU. However, the ELMOU is consistent with the Local Plan and directly supports its proposals. During the preparation of the Local Plan, an Equalities Impact Assessment has been 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.

5. **Budgetary Framework**

- 5.1 There are no budgetary implications of this report

6. **Risks**

- 6.1 There is a risk that one of the other 6 authorities does not endorse the ELMOU. If this is the case it is likely that the ELMOU would have to be renegotiated. This would take some time and could have consequences for the development of the Local Plan. This has been mitigated by seeking agreement of the Joint Committee prior to seeking formal endorsement.
- 6.2 There is a risk that exceptional circumstances to release the land for the sub regional employment site from the Green Belt are not accepted by the inspector. This would leave a shortfall within the District that will need to be provided elsewhere or would require a major review of the ELMOU

7. **Alternative Option(s) considered**

- 7.1 The Council could decide not to endorse the ELMOU. Although the ELMOU results in a substantial additional housing requirement for the District, this is not recommended for the following reasons:
- Duty to Cooperate is both a legal requirement and an important element in developing a sound plan. If the Council chooses not to endorse the ELMOU it will be harder to demonstrate that the Duty has been complied with and has been effective in delivering appropriate outcomes. This will make it more difficult to progress towards a sound Plan.

- Failure to endorse the ELMOU will have consequences for the progression of all the Local Plans within the HMA which in turn will undermine the potential for the sub-region to grow and prosper
- Failure to endorse the ELMOU will increase the risk that the sub-regional employment site is not released from the Green Belt through the Local Plan. This will undermine the potential for development in this location with consequential knock-on effects for the local and sub-regional economy.

7.2 The Council could decide to accept a different level of redistribution of employment land from Coventry. This is not recommended as the evidence does not support this and changes to Warwick's agreed level of employment will have knock-on effects for the whole ELMOU and will therefore require a new agreement to be developed.