



Rugby Borough Local Plan Publication Draft

DUTY TO COOPERATE

Statement of Compliance

July 2017

Contents

1. Introduction

2. National Context

3. Rugby Borough in Context

4. Coventry and Warwickshire Joint Evidence Base

5. Prescribed Bodies

6. Strategic Issues

1. Introduction

This document demonstrates how Rugby Borough Council has complied with the Duty to Cooperate in preparing its new Local Plan. It summaries the areas in which the Council undertakes Duty to Cooperate to inform the plan making process and as such will be updated as the Local Plan moves towards adoption.

2. National Context

2.1 What is the Duty to Cooperate?

The Duty to Cooperate was created in the Localism Act 2011, and amends the Planning and Compulsory Purchase Act 2004. It places a legal duty on local planning authorities, county councils and public bodies to engage constructively, actively and on an on-going basis to maximise the effectiveness of Local Plan preparation in the context of strategic cross boundary matters.

The Duty to Cooperate is not a duty to agree, but local planning authorities should make every effort to secure the necessary cooperation on strategic cross boundary matters before they submit their Local Plans for examination.

Local planning authorities must demonstrate how they have complied with the duty at the independent examination of their Local Plans. If a local planning authority cannot demonstrate that it has complied with the duty then the Local Plan will not be able to proceed further in examination.

Local planning authorities will need to satisfy themselves about whether they have complied with the duty. As part of their consideration, local planning authorities have to bear in mind that the cooperation should produce effective and deliverable policies on strategic cross boundary matters.

2.2 The Localism Act

The duty, as set out the Localism Act, requires Local Plan Authorities to ‘engage constructively, actively and on an on-going basis’ on the preparation of development plan documents ‘so far as relating to a strategic matter’. Strategic matters are defined as relating to:

- a) sustainable development or use of land that would have a significant impact on at least two local planning areas including use of land in connection with infrastructure that is strategic; and
- b) sustainable development or use of land in a two-tier area if the development or use is a county matter or would have a significant impact on a county matter.

The duty requires that councils set out planning policies to address such issues and requires them to consider joint approaches to plan making.

2.3 National Planning Policy Framework

The National Planning Policy Framework (NPPF) (2012) reinforces the Localism Act and sets out what is expected to ensure Local Planning Authorities work collaboratively with other

bodies to properly coordinate activity on strategic priorities across administrative boundaries. The NPPF requires that local planning authorities will be expected to demonstrate evidence of having effectively cooperated to plan for issues with cross boundary impacts when their Local Plans are submitted for examination.

Paragraph 156 of the NPPF sets out the strategic issues where cooperation might be appropriate. This encompasses

- the homes and jobs needed in the area;
- the provision of retail, leisure and other commercial development;
- the provision of infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
- the provision of health, security, community and cultural infrastructure and other local facilities; and
- climate change mitigation and adaptation, conservation and enhancement of the natural and historic environment, including landscape.

Paragraphs 178-181 give guidance on planning strategically across local boundaries and highlight the importance of joint working to meet development requirements that cannot be wholly met within a single local planning area, through either joint planning policies or informal strategies such as infrastructure and investment plans.

Paragraph 179 states “... joint working should enable local planning authorities to work together to meet development requirements which cannot wholly be met within their own areas – for instance, because of a lack of physical capacity or because to do so would cause significant harm to the principles and policies of this Framework. As part of this process, they should consider producing joint planning policies on strategic matters and informal strategies such as joint infrastructure and investment plans.”

Paragraph 181 states “Local planning authorities will be expected to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when their Local Plans are submitted for examination. This could be by way of plans or policies prepared as part of a joint committee, a memorandum of understanding or a jointly prepared strategy. Co-operation should be a continuous process of engagement from initial thinking through to implementation”.

2.4 National Planning Practice Guidance

The National Planning Practice Guidance (NPPG) (2014) provides further guidance on how to fulfil the Duty to Cooperate. It explains that:

“The duty to cooperate is a legal test that requires cooperation between local planning authorities and other public bodies to maximise the effectiveness of policies for strategic matters in Local Plans. It is separate from but related to the Local Plan test of soundness. The Local Plan examination will test whether a local planning authority has complied with the duty to cooperate. The Inspector will recommend that the Local Plan is not adopted if the duty has not been complied with and the examination will not proceed any further.”

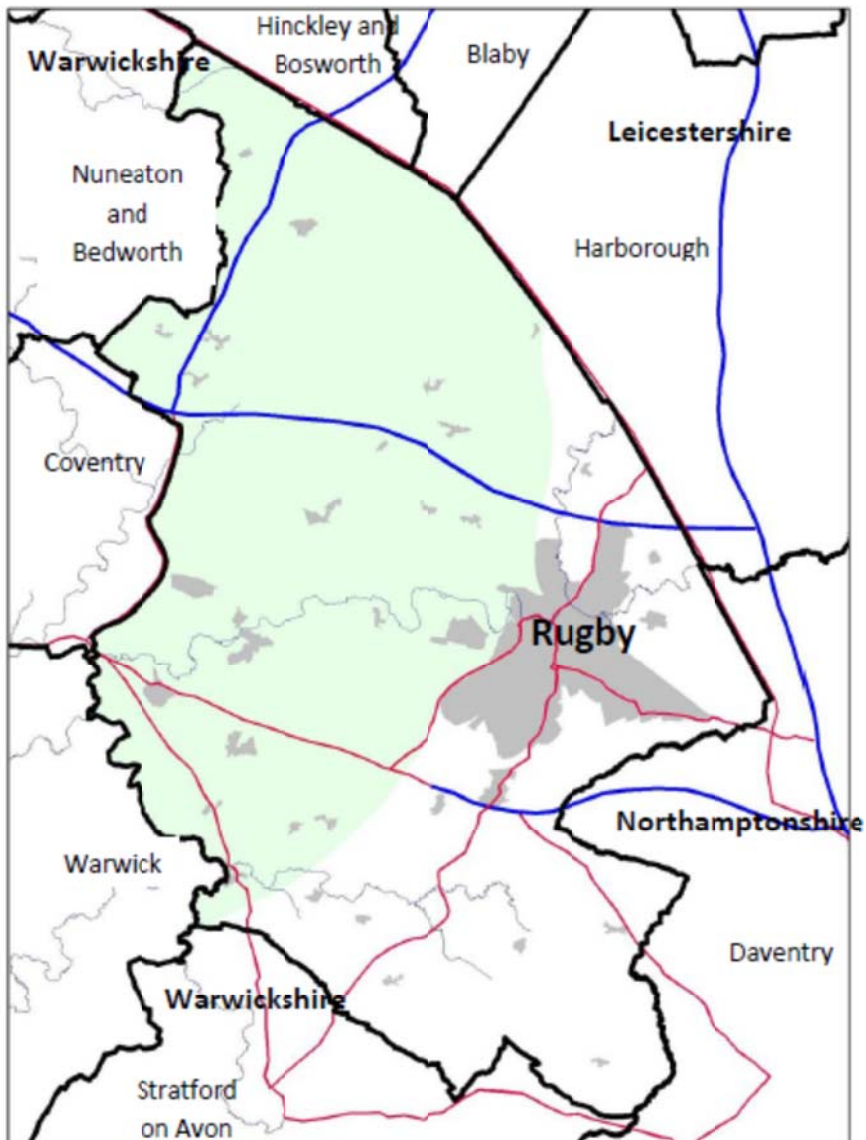
If the Inspector finds that the duty has been complied with, the examination will also test whether the Local Plan is sound."

The National Guidance seeks to clarify the following:

- The duty to cooperate is not a duty to agree, but local planning authorities should make every effort to secure the necessary cooperation on strategic cross boundary matters before they submit their Local Plans for examination.
- Local authority officers and councillors have an important role to play in this process.
- The duty to cooperate seeks to ensure that local planning authorities lead strategic planning effectively through their Local Plans, addressing social, environmental and economic issues that can only be addressed effectively by working with other local planning authorities beyond their own administrative boundaries.
- The duty requires active and sustained engagement. Local planning authorities and other public bodies must work together constructively from the outset of plan preparation to maximise the effectiveness of strategic planning policies. It is unlikely that this could be satisfied by consultation alone.
- Cooperation between local planning authorities, county councils and other public bodies should produce effective policies on strategic cross boundary matters. Inspectors testing compliance with the duty at examination will assess the outcomes of cooperation and not just whether local planning authorities have approached others.
- The actions will depend on local needs which will differ, so there is no definitive list of actions that constitute effective cooperation under the duty. Cooperation should produce effective policies on cross boundary strategic matters.

3. Rugby Borough in Context

The Borough of Rugby covers an area of 138 square miles located in central England, within the County of Warwickshire. The Borough is on the eastern edge of the West Midlands Region, bordering directly on to the counties of Northamptonshire and Leicestershire, both of which are in the East Midlands Region. Rugby Borough Council is within the Coventry and Warwickshire Housing Market Area and the Coventry and Warwickshire Local Enterprise Partnership.



3.1 The Housing Market Area

In 2013 the Local Authorities within Coventry and Warwickshire published a Joint Strategic Housing Market Assessment (JSHMA). Chapter 3 of the JSHMA defines the Coventry and Warwickshire Housing Market Area (CWHMA). Rugby Borough lies wholly within the CWHMA, although the north eastern part of the Borough borders Blaby and Harborough District Council areas, which fall within the Leicester and Leicestershire Housing Market Area. To the south / south- east of the Borough is Daventry District which falls within the Northampton Housing Market Area. The JSHMA identifies that the Borough has strong migration flows with Coventry and Daventry.

3.2 Functional Economic Market

The Employment Land Studies that have been undertaken at the local level (for Rugby) and at the sub-regional level in partnership with the Coventry and Warwickshire Local Enterprise Partnership (CWLEP), recognise that there is no one distinct guide to establish the details of a functional economic market or area. What is clear through the guidance is that the Coventry and Warwickshire sub region enjoys a very high level of self-containment (85% of people working and living within the sub-region).

The creation of the Coventry and Warwickshire LEP is recognition in itself of the economic linkages between the 6 local authorities and the baseline for a functional economic market.

3.3 Coventry and Warwickshire Local Enterprise Partnership

The Coventry and Warwickshire Local Enterprise Partnership (CWLEP) covers the area administered by the following local authorities:

- Coventry City Council
- North Warwickshire Borough Council
- Nuneaton and Bedworth Borough Council
- Rugby Borough Council
- Stratford-on-Avon District Council
- Warwickshire County Council
- Warwick District Council

The CWLEP area coincides with the Coventry and Warwickshire Housing Market Area. The CWLEP has close links with the local authorities within the area and its Board includes elected members from Rugby Borough Council, City Council, the County Council and the 4 remaining District & Borough Councils within Warwickshire.

The CWLEP has recently restructured to ensure it is fully aligned with the local authority structures, with a new Operational Group, comprising CWLEP Board members and Council Leaders drawn from the Joint Committee and an Executive/Secretariat of, predominantly Council officers.

The CWLEP governance structure includes a number of 'business' groups. One such group is the Planning and Housing Group. This group, comprising of private sector and local authority members, aims to support and facilitate the delivery of housing and employment sites and plans across the CWLEP area and remove perceived barriers to development. The Council

plays an active part in this group, the role of which includes assessing emerging development plan documents to ensure CWLEP views are fed in to the plan making process.

The CWLEP commissioned and led the sub-regional assessment of employment land availability (the Coventry and Warwickshire Strategic Employment Land Study; Atkins 2014) and its subsequent update (CBRE 2015). It has also been active in identifying and assessing the availability of major employment sites within the sub region.

The CWLEP has prepared the Strategic Economic Plan (SEP) for the sub-region as well as playing a lead role in the City Deal and the Local Growth Fund which bring valuable investment for infrastructure, amongst other things.

3.4 Coventry and Warwickshire Local Enterprise Partnership – City Deal

The CWLEP developed the Coventry and Warwickshire City Deal, signed by Government in December 2013, which covers the whole of the CWLEP area and also the neighbouring district of Hinckley & Bosworth, within Leicestershire. The City Deal required the establishment of the Joint Committee.

The Council has played an active role with the CWLEP and other Councils in the sub-region to agree a City Deal. This seeks to build on the high value advanced manufacturing and engineering (AME) sectors in the sub region, particularly the automotive sector in which the sub-region has more than five times the average concentration of employment. It recognises a series of barriers to further growth in these sectors, which it seeks to overcome to amongst other things deliver over 15,000 new jobs by 2025 including 8,800 in the advanced manufacturing sector, and growth in 450 advanced manufacturing and engineering companies within the local area.

3.5 Coventry and Warwickshire Local Enterprise Partnership – Strategic Economic Plan (SEP)

Coventry and Warwickshire's SEP was published on 31st March 2014 and updated in August 2016. It is the responsibility of a LEP based Project Board, with members drawn from a wide base of partners, including the City Council. It has strong links to the Planning and Housing group of the LEP. The initial SEP has been developed using a theme approach, based around the key drivers of growth. The work of these themes will provide the building blocks for the final strategy and SEP review, which is now expected to form a key part of the Combined Authorities' 'Super SEP'.

The Coventry and Warwickshire Duty to Cooperate group have worked closely with CWLEP officers to commission and deliver studies and reports that have provided evidence to underpin the SEP and its review. Having contributed to the formulation of the CWLEP's initial SEP, the Group will play a key role in ensuring the SEP review is closely aligned with the Local Plans across the sub-region.

3.6 Coventry and Warwickshire Local Enterprise Partnership – Single Spatial Strategy

The CWLEP's Planning and Housing Group will lead on the future development of a Single Spatial Strategy for the sub-region, fully aligned with future SEP revisions and evolving Local Plans/Core Strategies. A mapping exercise for how this 'strategy' may look has been

undertaken by the group and work on the strategy is expected to start later this year. A report was presented to the Joint Committee in March 2016 to consider two options to take the strategy forward. A non-statutory version could commence later this year whilst a more statutory incarnation would not be developed until late 2017 at the earliest. A report was presented to the Joint Committee on 21st July 2016 presenting options for the development of a Single Spatial Strategy. The Joint Committee decided to progress with an interim measure of a non-statutory GIS-based joint plan and agreed to consider further the possibility of a more strategic approach to a Single Spatial Strategy once capacity to do so becomes available after progressing individual Local Plans through examination.

3.7 Coventry and Warwickshire Joint Committee for Economic Growth and Prosperity

Coventry and Warwickshire Joint Committee for Economic Growth and Prosperity was established in 2014. After a period of being referenced as the Shadow Economic Prosperity Board, it has been rebranded again as the Joint Committee. It is comprised of the Leader of each of Coventry and Warwickshire's six local authorities, The County Council and Hinckley and Bosworth Borough Council. It has two key roles:

- a) To consider how the work of the Councils can best be coordinated to deliver economic prosperity in conjunction with the CWLEP and including inputs in to the delivery and review of the SEP; and
- b) To oversee Duty to Cooperate activities including signing of key elements of the sub-regional evidence base and agreeing coordinated responses to the evidence in the development and delivery of Local Plans.

Specifically it aims to:

- Jointly develop with the CWLEP economic and growth strategies for the sub region and be responsible for their delivery;
- Jointly develop with the CWLEP joint investment strategies for the sub-region and be responsible for their delivery;
- Consider, approve and co-ordinate the development and implementation of decisions relating to investment in the sub-region, including expenditure of external funding;
- Agree and facilitate effective integrated collaborative arrangements for the following functions across the constituent members of the Joint Committee:
 - economic development;
 - regeneration;
 - strategic planning (including spatial planning and housing); and
- Produce an annual report to the Executive of each of the constituent authorities on its work in the preceding municipal year.

The Committee met for the first time in March 2014 and has played an active role in the Duty to Cooperate process, including supporting an approach to ensure any housing shortfall is dealt with collectively. This culminated with an agreed Memorandum of Understanding for housing requirements in September 2015 (Appendix 1). In July 2016 the committee agreed through a Memorandum of Understanding for the employment land needs of Coventry and Warwickshire (Appendix 2) are to be met in full including addressing

an identified shortfall of employment land provision arising from Coventry. The Local Plan Publication reflects the housing and employment requirements as set out in the respective Memorandum of Understandings.

3.8 Coventry and Warwickshire Chief Executives/Managers

This group comprises the most senior Council official (or their representative) from each of Coventry and Warwickshire's seven authorities (including the County Council). It meets prior to each Joint Committee meeting to agree the agenda and report recommendations. This group has recognised the vital role of Local Plans/Core Strategies in shaping the sub-region and has therefore played a very active role in the Duty to Cooperate including detailed discussions on sub-regional housing requirements and distribution, economic prosperity and strategic infrastructure provision.

Coventry, Solihull and Warwickshire Association of Planning Officers (CSWAPO) is comprised of the Head of Planning (or their representative) from the 8 Councils within Coventry, Solihull and Warwickshire. CSWAPO is a long established group which since the 2010 Localism Act has taken a lead role in driving Duty to Cooperate discussions and activities.

This has included:

- Commissioning the Joint Strategic Housing Market Assessment
- Joint Strategic Housing Land Availability Assessment Methodology
- Commissioning a review of the Coventry and Warwickshire Green Belt
- A sub-regional Green Infrastructure Strategy
- Coordinating responses to development plan consultations
- Themed discussions and joint decisions (for instance covering flooding, broadband infrastructure, biodiversity offsetting etc)

In January 2015, it was agreed that the primary roles and responsibilities of the main CSWAPO group would be delegated to two specific sub-groups: one covering Development Management and the other covering Planning Policy and the Duty to Cooperate. The overarching coverage of the main CSWAPO group is now largely covered by the Planning and Housing Business group for the CWLEP.

The Planning Policy and Duty to Cooperate sub-group had at that time already been created and comprised officers leading on the development of Core Strategies/Local Plans within each planning authority. This group ensures sufficient time is dedicated to understanding and discussing the implications of sub-regional evidence so that the Joint Committee can make informed decisions based on a shared understanding amongst the lead planning officers. The CWLEP is also a member of this group which helps ensure it remains fully abreast of Local Plan developments across the constituent authorities. This group has also been involved in commissioning sub regional studies as required by the Joint Committee. Examples of this include:

- Commissioning and managing work to review the Joint SHMA following the publication of the 2012 population estimates;
- The further update of the Joint SHMA in response to the initial recommendations on the Warwick District Local Plan; and

- The commissioning of a Joint Green Belt study for the Coventry and Warwickshire area.

In 2015, the Duty to Cooperate group was expanded to include Hinckley and Bosworth Borough Council. This has provided an invaluable link to wider planning issues in Leicestershire as well as opportunities to share knowledge, expertise and best practice.

3.9 Coventry and Warwickshire Monitoring Group

During 2014 a Monitoring Sub Group was established. The group comprises the monitoring officers of each authority represented at the CSWAPO Duty to Cooperate Group and is chaired in partnership by the City Council and Warwickshire County Council. The creation of this group recognises the increasing importance of monitoring in informing future growth requirements. Specifically, the group will ensure:

- Consistent approaches to monitoring housing and employment delivery and land availability across the sub-region;
- Coordination of timing, method and reporting of monitoring data to inform the extent to which the SEP is being delivered;
- Future sub-regional working; and
- The need for Local Plan/Core Strategy reviews.

4. Coventry and Warwickshire Joint Evidence Base

As highlighted already, various pieces of work of a strategic nature have been commissioned on a sub-regional basis and are referred to in the section below.

4.1 Joint SHMA

As an example of the outcomes arising from this joint working, the SHMA produced an evidence base that has been used as a starting point for on-going discussions about the amount of housing to be delivered in each local authority. These discussions have been undertaken through the Duty to Cooperate group and the Joint Committee. This has ensured that the strategic issues relating to the level and distribution of housing growth have been shared across the sub-region and are supported by a sound and shared evidence base.

The Joint SHMA was first produced in 2013 and responded to the comments and recommendations of the Inspector overseeing the Coventry Core Strategy (2012). It has subsequently been updated in 2014 to reflect the release of the 2012 based ONS sub-national population projections and again in 2015 to reflect comments raised by the Inspector overseeing the Warwick District Council Local Plan examination.

The 2015 update focused responded to the release of the 2013 and 2014 Mid-Year population estimates. It also took the opportunity to review and refresh (where appropriate and necessary) the assessment of market signals and affordable housing needs.

In August 2016 Coventry City Council (with the support of the HMA) published a report for the Coventry-Warwickshire Housing Market Area which took account of the 2014-based Subnational Population and Household Projections.

4.2 Joint SHLAA methodology

Between November 2014 and May 2015, the 7 Coventry and Warwickshire authorities worked jointly to complete a shared SHLAA methodology. This process has ensured that each of the authorities is able to undertake an assessment of possible development sites within their respective authority area from a single platform and a standardised approach agreed by all authorities. The intentions of this approach are to remove any ambiguity in site appraisal and provide confidence that site capacities and land supply is maximised and appropriate. Although opportunities to produce a single SHLAA were considered, this was deemed inappropriate given the geographical extent of the sub-region and differences in land constraints and opportunities. This shared methodology was supported by a joint workshop in March 2015 with external partners and stakeholders to test its approach.

4.3 Employment Land Studies

As discussed already the local authorities have worked jointly with the CWLEP to commission two sub-regional level studies of employment land needs. In addition each local planning authority has developed its own localised employment land study.

4.4 Joint Green Belt Review

An initial joint review of the Coventry Green Belt was completed in 2009. This largely focused on the Green Belt land within and immediately adjacent to Coventry and responded to the emerging Regional Spatial Strategy of the time.

Given the development pressures facing the sub-region it was felt appropriate to undertake a new review of the Green Belt covering the sub-region as a whole. The focus of the study was to understand how well land currently within the Green Belt performed against the primary purposes of Green Belt and to understand what the issues and implications may be of releasing such land for development.

This study has taken place in two stages, which reflects plan preparation but also the overlapping relationships with the Greater Birmingham HMA. Stage 1 covered Coventry City, Warwick District, Rugby Borough and Nuneaton and Bedworth Borough. The study was commissioned in 2014 and completed in 2015. It was overseen by a project working group comprising nominated officers from each of the authorities. Stage 2 covers Stratford on Avon District and North Warwickshire Borough and was completed April 2016.

4.5 Bilateral Cooperation with Neighbouring Planning Authorities

Rugby Borough borders the following 8 local planning authorities:

- Warwick District Council
- Stratford District Council
- Nuneaton and Bedworth Borough Council
- Coventry City Council
- Daventry District Council
- Harborough District Council
- Blaby District Council
- Hinckley and Bosworth District Council

The direct interaction with adjoining areas takes a number of forms. In terms of people, interaction is often seen in the form of journeys to workplaces, to places of education, to shops, healthcare and other facilities. Of these different types of journeys, commuting to and from work and places of education tends to have the greatest routine impact on the transport network.

In addition, interaction with neighbouring areas comes in other forms such as migration in and out of the Borough to live as well as the distribution of raw materials and goods to and from other parts of the country to support the national and global economy. The Borough has strong environmental links with different areas, for example through its river valleys and sources of water supply. There are sub-regional green infrastructure links that pass through the Borough which are beneficial not only in terms of supporting biodiversity but also in helping manage the impacts of climate change, and in supporting leisure and recreational uses.

Whilst there are no regular bilateral Duty to Cooperate meetings with neighbouring planning authorities, frequent liaison take place at a political, senior management and senior planner levels. The content of discussions is related to Local Plan progress from both authorities and any strategic issues that might arise with examples being:

- Ansty and Ryton Prologis site's, which are within Rugby Borough, contributing to Coventry City employment requirement, as set out in the Coventry and Warwickshire Employment Land Memorandum of Understanding;
- Discussions with Coventry City Council with regard to development to the west of the Borough adjacent to the City boundary;
- Joint working with Rugby Borough Council, Nuneaton and Bedworth Borough, Warwick District and Warwickshire County Council around highway improvements and infrastructure along the A46, A444 and A45 corridors;
- Member of the A5 partnership group with other authorities areas which boarder have the A5 running through their administrative area;
- Member of the A46 partnership group with other authorities area which border have the A46 running through their administrative area;
- Member of the Junction 18 Liaison Forum which includes authorities such as Hinckley and Bosworth, Harborough District, Nuneaton and Bedworth Borough, Blaby District and North Warwickshire, South Staffordshire and Cannock Chase District;
- Ongoing discussions with Daventry District and Northamptonshire County Council in relation education and highway infrastructure;
- The provision of officer and Council responses to Local Plan/Core Strategy development in Birmingham City, North Warwickshire Borough, Nuneaton and Bedworth Borough, Harborough District, Daventry District, Stratford on Avon District and Warwick District Councils; and
- Engagement with Daventry District and Harborough District on evidence base documents.

4.6 Two Tier Working: Warwickshire County Council

Rugby Borough is within a two-tier area, with Warwickshire County Council providing public services such as education, highways and social services. For this reason, it is particularly important that Rugby Borough Council co-operates with Warwickshire County Council, and that clear evidence is presented that demonstrates that all aspects of the Duty have been complied with.

Of particular importance in this cooperation is working together on planning and delivering infrastructure such as schools, transport network, economic development, libraries, public health, emergency services and adult care, all of which are predominantly County Council services. The Council have also engaged with Warwickshire County Council as the Lead Local Flood Authority. In addition, the County Council has important strategic planning functions in relation to waste and minerals. It is important the Local Plan aligns with these strategic plans.

5. Prescribed Bodies

The Localism Act 2011 sets out a number of prescribed bodies for the Duty to Cooperate. These organisations are required to cooperate with local planning authorities and the other prescribed bodies. These bodies play a key role in delivering local aspirations, and cooperation between them and local planning authorities is vital to make Plans as effective as possible on strategic cross boundary matters. Cooperation is required with each of these bodies in the preparation of Plans. Cooperation with each of the Prescribed Bodies can be summarised as follows:

5.1 The Environment Agency: regular and on-going liaison with the Environment Agency has taken place. This has included cooperation in the preparation and publication of flood risk information, advice on flood mitigation in relation to the allocation of potential sites. The Environment Agency has played an active role in shaping the Natural Environment and Sustainable Design and Construction policies within the Draft Local Plan and influencing a range of other policies. The Borough Council undertook pre consultation on development management policies and met with the Environment Agency and held further discussions on policies following the receipt of the body's Local Plan Preferred Options consultation response. A meeting with the Environment Agency has also taken place following their response to the Publication Draft. The Environment Agency was also involved in the commissioning of consultants to undertake the Water Cycle Study and involvement throughout the production of the evidence.

5.2 The Historic Buildings and Monuments Commission for England (known as Historic England): As well as making representations to consultations throughout the plan making process, there has been regular and ongoing liaison with Historic England during the plan making process. After receipt of Historic England's Local Plan Preferred Options consultation response a meeting was held to discuss the content and advice was provided as to need to undertake Heritage Assessments for the main rural settlement allocations. The assessments were duly produced and form part of the Council's evidence base.

5.3 Natural England: As well as being a statutory consultee at each stage of the Local Plan preparation, Natural England has been involved in the preparation of plan in the following ways:

- Reviewing and agreeing HRA assessment
- Involvement in Warwickshire, Coventry and Solihull Green Infrastructure Strategy,
- Involvement in the Green Infrastructure Strategy
- Involvement in Warwickshire, Coventry and Solihull Biodiversity Offsetting scheme
- Membership of the Warwickshire, Coventry and Solihull Habitat Biodiversity Partnership Steering Group (C&W&S)

5.5 The Mayor of London: N/A

5.6 The Civil Aviation Authority (CAA):The CAA have provided an updated map of building heights linked to planned developments and proximity to Coventry airport is included as an appendix within the Local Plan. This will ensure that the airport continues to be consulted as part of planning applications as and when appropriate.

5.7 The Homes and Communities Agency (HCA): Cooperation with the HCA has taken place during the preparation of the Plan in relation to Ansty Park.

5.8 Clinical Commissioning Group (CCG): Cooperation has taken place with NHS England and the NHS Coventry and Rugby CCG (which has now merged with Warwickshire North CCG) in preparing the Local Plan and in particular on planning the infrastructure required to support a growing population. NHS England (Local Area Team) is the key organisation in help in the planning of GP Services and the Infrastructure Delivery Plan reflects their advice and recommendations. NHS England has also confirmed that it has been working jointly with the Coventry & Rugby NHS Clinical Commissioning Group (CCG) in understanding the implications of the Rugby's growth on health care provisions. The Council also sits on the NHS WNCCG and NHS C&RCCG Local Estates Forum.

5.9 National Health Service Commissioning Board: NHS England has played an active role in the planning of GP Services for the Infrastructure Delivery Plan. NHS England has provided information regarding current capacity within the GP Services, projected requirements and investment costs required to meet future requirements. This information has informed the proposals within the Infrastructure Delivery Plan.

5.10 The Office of Rail Regulation: See ORR advice note on Localism Act 2011 (Delivering ORR's duty to cooperate). No consultation response has been received during the consultation stages of the local plan.

5.11 Transport for London: N/A

5.12 Integrated Transport Authority: N/A (Please note: Centro covers Coventry and the West Midlands Metropolitan authority areas. However public transport within Warwickshire is the responsibility of the County Council).

5.13 Highway Authority (Warwickshire County Council and Highways England): Extensive and ongoing cooperation with the Highway Authority has taken place throughout the preparation of the Local Plan. This has involved working together on strategic transport assessments to help inform the distribution of development and infrastructure requirements relating to the proposed development sites. Regular liaison meetings have taken place to ensure this work is effective. Engagement work with Highways England has focused on the M6 Junction 1, A46 and A45/M45.

5.14 The Marine Management Organisation: N/A

6. Strategic Issues

6.1 Introduction

The National Planning Policy Framework explains that public bodies have a Duty to Cooperate on planning issues that cross administrative boundaries, particularly those which relate to the strategic priorities set out in paragraph 156. These are:

- the homes and jobs needed in the area
- the provision of retail, leisure and other commercial development;
- the provision of infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
- the provision of health, security, community and cultural infrastructure and other local facilities; and
- climate change mitigation and adaptation, conservation and enhancement of the natural and historic environment, including landscape.

The following section sets out the cross boundary issues and details discussions and outcomes where relevant.

6.2 Strategic Issue: Homes needed in the area

Rugby Borough Council has worked closely with all the Councils in the Coventry and Warwickshire HMA to assess and provide for the homes required. As previously detailed, a Joint SHMA was produced to provide a shared evidence base across the region, along with subsequent updates and addendums. This study was used as the basis for extensive Duty to Cooperate discussions amongst Planning Officers (for instance at CSWAPO and its Duty to Cooperate Sub-Group) and Chief Executives/Managing Directors. A Coventry and Warwickshire Housing Memorandum of Understanding has been produced ensuring that housing need in the HMA is met in full.

In assessing the need for Gypsies and Travellers and commissioning the Gypsy and Traveller Accommodation Assessments (GTAA), Rugby Borough Council consulted with other local authorities and the County Council with regards to both the numbers of Travellers and the nature of their accommodation needs. Discussions have also been ongoing regarding the potential for sharing of emergency stopping places provided by the County Council in the north of the County. The Council are also actively involved with partners around dealing with unauthorised encampments in the most efficient way possible.

6.3 Strategic Issue: Employment land and job creation in the area

The sub-regional approach to employment land delivery and job creation across Coventry and Warwickshire has already been discussed at length in this Paper and within the Employment Background Paper. The Local Plan reflects the provisions of the Coventry and Warwickshire Employment Land Memorandum of Understanding.

6.4 Strategic Issue: Retail and Leisure provision

During 2011, CSWAPO discussed the ongoing validity of the retail hierarchy that had formed part of the Regional Spatial Strategy. These discussions concluded that although the retail hierarchy should still provide a useful starting point for considering the role of the sub-region's retail centres, there was no need to formally continue with a retail hierarchy and a decision was taken not to include retail issues within the statement of common ground being prepared at that time.

6.5 Strategic Issue: Infrastructure

Transport

The Local Plan proposed allocation at Lodge Farm is in close proximity to the administrative boundary with Daventry District Council which falls within Northamptonshire County Council. Discussions have been ongoing with Daventry District and Northamptonshire County Council in relation to Lodge Farm to ensure any highway impacts identified from the site can be mitigated. The two authorities raised concern about the Local Plan Strategic Transport Assessment (STA) (September 2016) specifically about the extent of the transport model and the Lodge Farm trip distribution assumption. The updated STA (June 2017) reflects discussions that have taken place with Northamptonshire County Council (NCC). The model area was extended into NCC administrative area and the trip distribution for the site agreed prior to the modelling work being undertaken. The Strategic Transport Assessment June 2017 also identifies strategic transport mitigations within Daventry District Council which is proposed to be reflected as a modification to the IDP. The addition of the highway mitigation to the Local Plan reflects the suggested change to the Plan made by Northampton County Council.

As highlighted above Highways England has been engaged throughout the Local Plan process. In addition the Council is also a member of various transport groups ensuring that there have been ongoing discussions about highway matters related to the Local Plan.

Flood risk and Water Resources

A Level 1 Strategic Flood Risk Assessment (SFRA) was completed for Rugby Borough in 2013 which updates a previous sub-regional report which was undertaken in 2008 covering the wider area of Coventry, Solihull and Warwickshire. Warwickshire County Council holds and maintains a set of maps covering the whole County. Rugby Borough Council's drainage engineering team, shares information and working with the Environment Agency, Severn Trent Water, Warwickshire County Council Highways department, Warwickshire County Council Flood Risk Team and the Canal and Rivers Trust, as well as advising on planning applications and current best practice.

In 2016, an update to the Water Cycle Study was commissioned by North Warwickshire, Nuneaton and Bedworth, Rugby and Warwick Councils given the development pressures facing the area and to ensure their evidence base is up to date. This study also involved input from the Environment Agency and Severn Trent. This study has helped to identify where upgrades to the sewerage network and waste water treatment facilities are needed. Severn Trent has confirmed that it will be able to carry out these upgrades where they are required, as the development comes forward across the region.

The Environment Agency is responsible for the production of the Severn River Basin Management Plan, which includes measures to protect and improve the water environment, as well as mitigating for effects of flooding.

6.6 Strategic Issue: Provision of health, security, community and cultural infrastructure and other local facilities

Education

Rugby Borough Council has worked closely with the Local Education Authority (Warwickshire County Council) throughout the development of the plan to ensure adequate education facilities are planned to support the proposed growth. The Council has engaged with WCC at every stage of the plan making process.

Discussions have also been held with Northampton County Council and Daventry District Council in relation to the education provision to be provided at the Lodge Farm allocation. The Local Plan Infrastructure Delivery Plan (IDP) as informed by WCC requires the early provision of a 2-3 form primary school at the Lodge Farm site to alleviate any potential concerns about the impact of the site on primary school provision in Daventry District.

Provision of health and security

As mentioned above the council has worked closely with Coventry and Rugby - Warwickshire North CCG, NHS England and Public Health Warwickshire to ensure adequate health care facilities are planned across the region to support the proposed growth

Fire and Rescue

Discussions have taken place with Warwickshire County Council Fire and Rescue and Warwickshire Police with the respective bodies request for infrastructure being contained within the Local Plan IDP.

6.7 Strategic Issue: Climate Change Mitigation and Adaption

In 2010, a Renewable Energy and Low Carbon Resource and Feasibility Study was conducted on behalf of the local authorities of Stratford on Avon, Warwick, North Warwickshire, Nuneaton and Bedworth, Rugby, Solihull and Warwickshire County. The aim of this study was to inform the authorities about potential viability and deliverability of various renewable and low carbon options. This study has helped to inform policies within the plan.

6.8 Strategic Issue: Waste management and the provision of minerals and energy

Warwickshire County Council (WCC) is the authority responsible for waste management and the production of the Minerals Plan. Whilst identifying the potential need for further waste management facility the scale and location of such a facility is yet to be established through an evidence approach. Further discussions will continue through the production of a CIL charging schedule.

In terms of minerals, WCC is currently working on a Minerals Plan to replace the former Minerals Core Strategy (a Local Aggregates Assessment having been published in 2014). Rugby Borough Council has information on a GIS constraints layer which alerts the need to consult the minerals authority if developments lie within a safeguarded area or consultation zone (usually gravel and sand alongside a river).

6.9 Strategic Issue: Conservation and enhancement of the natural and historic environment, including landscape.

Warwickshire, Coventry and Solihull Green Infrastructure Strategy, 2013

This strategy was prepared by Green Infrastructure Sub-group of CSWAPO and identified key elements of the sub-region's Green Infrastructure assets in terms of landscape, accessibility and biodiversity. This document was subject to a 6 week period of consultation and two stakeholder workshops were held. Its preparation also included involvement from the emerging Local Nature Partnership for the region. The outcomes of this study in relation to biodiversity enhancement areas, have informed the Local Plan's Natural Environment policies.

Warwickshire, Coventry and Solihull Biodiversity Offsetting Scheme:

The scheme, led by the Green Infrastructure Sub-group of CSWAPO, was one of 6 pilots to test the principle of Biodiversity Offsetting. Through the pilot, a refined collective approach was established to both Biodiversity Offsetting and the principles behind ecological assessments for quantifying ecological loss or gain. Opportunities to continue this approach and incorporate it within new developments are identified in the Local Plan's Natural Environment policies.

Habitat Biodiversity Audit: this project covering Coventry, Solihull and Warwickshire has been ongoing for over 20 years and continues to provide a basis for assessment of potential development sites and where relevant protection of local features. In preparing the Local Plan, the Audit has informed the preparation of the SHLAA and site selection matrix. It is incorporated within the Natural Environment policies.

Historic Environment: the Council as detailed above has engaged proactively and consistently with Historic England in the formulation of the Local Plan policies.

Green Belt

As mentioned above the Council was part of a Joint Green Belt study with the other Coventry and Warwickshire authorities to ensure a consistent assessment Green Belt. The Green Belt review has helped inform the site selection process.

7. Conclusions and future partnership working

7.1 The Council has a high level of co-operation with other local authorities and public bodies in relation to strategic planning and cross boundary issues, most notably with the other Coventry and Warwickshire authorities. In particular, the Council has participated in a number of joint projects with other authorities on key evidence base documents and has worked closely with key partners to ensure that the Local Plan includes appropriate policies. There have been no objections made to the Local Plan with regards to the Duty to Cooperate from the partners named in this statement.

In relation to future co-operation, the Council will continue to work closely with neighbouring authorities, and those in the wider region and LEP area, on all identified strategic cross-boundary planning matters and will continue to collaborate with infrastructure providers.

Following the Examination and adoption of the Local Plan, there will remain a need to maintain co-operation and collaboration with others, both those named within the Localism Act and wider bodies with a statutory or other key role in implementation, to deliver the Strategy.

APPENDIX 1

Report to the Coventry, Warwickshire and South West Leicestershire Shadow Economic Prosperity Board

Tuesday 29th September 2015

Memorandum of Understanding relating to the planned distribution of housing within the Coventry & Warwickshire Housing Market Area (HMA)

Introduction

- 1 At its meeting on 6th July 2015, the shadow Economic Prosperity Board (sEPB) agreed to a process and timetable to develop a Memorandum of Understanding (MoU) to ensure the Housing Market Area's (HMA) housing need is planned for in full, through the current round of plan-making.
- 2 This report seeks the agreement of the Shadow Economic Prosperity Board (sEPB) to the Memorandum of Understanding which is set out in **Appendix 1**.
- 3 The preparation of the MoU and this covering report is based on an intensive period of research and cooperation between the six planning authorities with responsibility for planning for housing need, as well as Warwickshire County Council.
- 4 The report to the sEPB on the 6th July, set out the key tasks to be undertaken to enable a robust, evidence based MoU to be developed. Four key tasks have been undertaken as follows:
 - Task 1: Develop proposals for the distribution of any unmet need arising in the HMA
 - Task 2: Confirmation of Housing Need across the HMA and at an individual local authority level and alignment with employment needs
 - Task 3: Confirmation of each authority's capacity for housing
 - Task 4: Identification of an aligned housing and employment need across the HMA alongside a proposed distribution of that need
 Further details of the outcomes from each of these tasks is set out in Appendix 1 and explained in paragraphs 15 to 23 below.

Explaining the Memorandum of Understanding

- 5 The Memorandum of Understanding seeks to ensure that the housing needs of the C&W HMA are met in full.
- 6 The MoU is set out in full in **Appendix 1**. Based on the 2015 updates to the SHMA, it seeks to agree a need for 88,160 dwellings within Coventry and Warwickshire between 2011 and 2031 (4408 dwellings per annum), and proposes that these dwellings are distributed as follows:

Table 1

	TOTAL PER ANNUM	TOTAL 2011-2031
Coventry	1230	24,600
North Warwickshire	264	5,280
Nuneaton & Bedworth	703	14,060
Rugby	620	12,400

Stratford-on-Avon	659	13,180
Warwick	932	18,640
C&W Total	4408	88,160

7 **Evidence:** The MoU is based on a robust evidence base which has been developed since the 6th July. This includes:

- Updated Housing Needs and Employment Forecasts Study: GL Hearn, August 2015. A summary of this report is included as **Appendix 2**. The conclusions from this study regarding OAN are:

Table 2

	A: Housing need based on demographic projections	B: Change based on housing need to support Economic Growth (taking account of commuting patterns within the HMA)	C: Total for the C&W HMA (A+B)	Additional change required to support Economic Growth (taking account of commuting patterns outside C&W HMA)
Coventry	2,120	-190	1,930	-
North Warwickshire	190	16	206	31
Nuneaton & Bedworth	429	73	502	0
Rugby	480	0	480	0
Stratford-on-Avon	458	101	559	100
Warwick	600	0	600	0
C&W Total	4,277	0	4,277	131

- Updates to the capacity assessments (Strategic Housing Land Availability Assessments or SHLAAs) in Coventry CC and Rugby BC areas. These are published on the websites of the respective authorities. In addition, Stratford DC and Warwick DC have undertaken further SHLAA work to update their overall capacity. As a result of this work a clearer position regarding the capacity of each authority is emerging, although it should be noted that work is ongoing, particularly in Nuneaton and Bedworth to ensure that all the SHLAA's across the HMA have been completed according to a consistent methodology.

8 **Conclusions on the scale of Unmet Need:** With regard to Coventry, the 2015 SHLAA demonstrates that the City is unable to meet its housing requirement within the City boundary and that the shortfall is up to 17,800. The City Council has prepared a SHLAA in accordance with the agreed sub-regional methodology and has provided its work to each of the Warwickshire Districts for scrutiny to demonstrate that their conclusions on capacity are robust.

9 **Redistribution of the Unmet Need:** the evidence shows that there is a shortfall of up to 17,800 dwellings between Coventry's demographic housing need and the capacity in the City. This represents the unmet housing need of the HMA which needs to be addressed through the MoU.

10 Officers have considered a range of ways to redistribute the 17,800 dwellings to ensure the agreed approach is firmly supported by evidence and offers an objective and fair way forward. The options considered by officers fall into two broad approaches: spatial options and functional relationship options.

11 **Spatial Options:** the starting point for the spatial options was to consider the most sustainable spatial options regardless of administrative boundaries. To do this, 6 spatial options were appraised:

- Edge of Coventry
- No delivery within the green belt
- Extensions to principal urban areas
- Growth Corridors
- Dispersed across all settlements (i.e principal urban areas and smaller settlements)
- New Settlement

A simple sustainability appraisal was undertaken on each of these options. The outcome of this work is shown in **Appendix 3**. This indicated that the Edge of Coventry and Growth Corridor options are likely to be the most sustainable spatial approaches

12 **Functional Relationship Options:** these options looked at the relative relationships of each of the Warwickshire Districts/Boroughs with Coventry City, based on existing migration and commuting trends. Two options were considered: relationship with Coventry based on two way commuting flows and relationships with Coventry based on gross migration flows. The data relating to these two options is shown in **Appendix 4**. Consideration of these two options indicated that both were important and a valid means of assessing functional relationships and that therefore they should be given equal weighting. As a result, officers developed an approach which applied the average percentage of migration and commuting flows to the functional redistribution approach. The resulting approach is set out in paragraphs 15 to 23 below.

13 Following discussions with the members’ reference group, it was concluded that the functional relationship approach should be used to shape the MoU. It was felt that this approach best reflected existing patterns of movement, provided a robust and objective methodology and retained local sovereignty in terms of the spatial approach to be used by each Borough/District to meet the resulting housing requirement. The spatial approach has therefore not been used to influence the MoU but provides shared evidence which should be considered in preparing the spatial strategies within local plans.

14 Applying the functional relationship approach indicates that Warwick and Nuneaton and Bedworth have the strongest relationships with Coventry, with Rugby also having a significant relationship and Stratford-on-Avon and North Warwickshire having weaker relationships. The evidence suggests that the following percentages should be applied as the basis for this redistribution approach:

Table 3

	Functional Relationship Percentage (commuting and migration)
North Warwickshire	5.15
Nuneaton and Bedworth	32.30
Rugby	16.51
Stratford-on-Avon	6.51
Warwick	39.37

- 15 **Final Proposed Redistribution Approach:** The final approach to redistribution which has been used to inform the MoU has two stages. The second stage is to take account of the functional relationships as set out in table 3 above. However before applying these percentages, the approach has considered the impact of the economic uplift for Nuneaton and Bedworth, Stratford-on-Avon and North Warwickshire arising from the GL Hearn Report and shown in Table 2 above.
- 16 The GL Hearn report indicates that North Warwickshire’s demographic housing need should be uplifted by 47 dwellings per annum to take account of the need to support economic growth. Similarly Stratford-on-Avon’s and Nuneaton and Bedworth’s uplifts are 101 and 73 dwellings per annum respectively.
- 17 To an extent, these uplifts involve redistribution of need from Coventry because they impact on commuting flows rather than the overall housing requirement of the HMA. However, a part of the uplift should also be seen as a redistribution from neighbouring HMAs (particularly Greater Birmingham). Applying data relating to functional relationship between the three local authorities concerned and neighbouring HMAs, it can be concluded that the following percentages of the economic uplift can be used to inform an initial redistribution as follows:

Table 4

	Total Uplift to support economic growth (dwellings per annum)	% internal to HMA	Total within HMA (dwellings per annum)
North Warwickshire	47	33%	16
Stratford-on-Avon	201	50%	101
Nuneaton and Bedworth	73	100%	73
Total stage 1 redistribution from Coventry			190

- 18 As a result of this stage 1 redistribution, 190 dwellings per annum of Coventry’s need has been addressed.
- 19 **Appendix 5** shows how the functional relationship formula set out in table 3 above has been applied to the remaining shortfall. This results in the final distribution set out in the MoU and in Table 1 above.
- 20 It should be noted that the MoU deals directly with the housing needs arising from within the Coventry and Warwickshire HMA. It does not address any shortfall arising within the Greater Birmingham HMA. Although work to assess the shortfall from the Greater Birmingham HMA is progressing, at this point in time it is not clear to what extent any unmet need will have to be met within Coventry and Warwickshire and in particular Stratford-on-Avon and North Warwickshire. It is recognised that this could add further pressures to provide additional housing within the HMA, but until more is known, this cannot be effectively addressed, nor can it form part of the formal agreement.
- 21 At this point in time, the evidence shows that there is some uncertainty about the ability of Nuneaton and Bedworth BC to meet the whole of the additional requirement that the evidence suggests should be allocated within the Borough. Nuneaton and Bedworth BC is still in the process of updating its SHLAA to assess whether there will be a resulting further unmet need and if so what the scale of this will be. The MoU recognises this position in clause 4 by providing for an early review in the event that updated SHLAA work indicates that the redistributed housing requirement cannot be met in full.
- 22 Within Warwickshire, responsibility for identifying and planning for housing need lies with the District and Borough Councils through the local plan process. Formally, the parties to the

agreement are therefore the 5 District/Borough Councils within Warwickshire, plus Coventry City Council. However, Warwickshire County Council has been involved in the process for preparing the MoU, because all parties understand the importance of their role in supporting the delivery of housing through infrastructure planning and provision. Therefore, although Warwickshire County Council are not formally a party to agreement, the importance of their role is recognised in the MoU.

- 23 Monitoring of the MoU will be important to ensure the housing requirements it sets out are delivered. The Coventry and Warwickshire local authorities have already established a monitoring group which seeks to ensure consistent and effective monitoring across the sub-region and which is providing data to support sub-regional planning, including the C&WLEP. This group, under the supervision of the Policy Officers' Group, will be responsible for establishing the indicators that will be used to monitor the MoU and for ensuring the measures are collected, collated and reported on at least an annual basis.

Background to the Memorandum of Understanding

- 24 **Legislation and National Policy:** The Localism Act 2011 places a legal duty on local planning authorities, county councils in England and public bodies to engage constructively, actively and on an ongoing basis. The duty requires that engagement should be constructive, active and ongoing. It requires cooperation to take place that is for the mutual benefit of neighbouring authorities. Importantly, Councils are expected to cooperate on strategic matters. This includes planning for housing need.
- 25 As well as the legal requirements set out in the Localism Act, the National Planning Policy Framework (NPPF) sets out the national policy regarding the Duty (see paragraphs 178 to 181). Specifically it indicates that:
- The Government expects joint working on areas of common interest to be diligently undertaken for the mutual benefit of neighbouring authorities.
 - Joint working should enable local planning authorities to work together to meet development requirements which cannot wholly be met within their own areas – for instance, because of a lack of physical capacity or because to do so would cause significant harm to the principles and policies of this Framework
 - Local planning authorities will be expected to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when their Local Plans are submitted for examination. Could be by way of plans or policies prepared as part of a joint committee, a memorandum of understanding or a jointly prepared strategy which is presented as evidence of an agreed position.
- 26 To enable Local Plans to progress successfully through examination, this legislative and policy framework therefore requires cooperation to be demonstrable, diligent and effective in delivering solutions. It also indicates that where a need is identified, the cooperation process should provide the mechanism to ensure that this need is met in full
- 27 **Inspector's Findings - Warwick Local Plan:** In May 2015, the submitted Warwick District Local Plan was subject to 5 days of hearings. In June 2015, the Inspector wrote to the Council setting out his initial findings. A key element of his findings was concern that there was an identified unmet housing need in Coventry and Warwickshire (at least 234 dwellings per annum). He required this to be addressed (jointly with the other authorities in the Housing Market Area). He rejected the collaborative process that had been agreed by the authorities within the Coventry and Warwickshire Housing Market Area to address the unmet need – namely that the unmet need can be dealt with through adopting individual Local Plans and then undertaking early plan reviews. Instead he has asked for the unmet need to be addressed in the current plan making round. There are therefore implications for all of the Coventry and Warwickshire authorities in his findings.

- 28 **What are the implications of failing to reach agreement?** The Duty to Cooperate means that resolving HMA's housing need in full is essential to enable each Local Plan to progress. Without an agreement none of the Councils within the Housing Market Area can expect to be able to prepare plans which will be found sound. The Inspector for Warwick's Local Plan has made it clear that for any plan (not just Warwick's) within the HMA to progress, it must be done within the context of a robust agreement about how the HMA's housing requirement will be met in full and that it is not something that can be dealt with through a future plan review.
- 29 Failure to reach an agreement will therefore hinder plan making across the whole HMA and will inevitably lead to some major challenges in relation to decisions taken on planning applications. Without a mechanism to demonstrate that the HMA's housing requirement will be met, it is likely that all Councils will face applications on unwanted sites and will find these far harder to resist. The result could be unsustainable development and significant difficulties in identifying and funding infrastructure to support that development. A further issue linked to slow or no plan progress is that badly needed development within the green belt will not be able to progress. Some substantial housing releases are proposed within the green belt as is the sub-regional employment site in the vicinity of Coventry Airport. This will potentially be damaging to the sub-regional economy and will undermine the desire to demonstrate that Coventry and Warwickshire is "open for business".
- 30 Failure to agree an MoU and therefore to progress local plans exposes all the Councils in the sub-region to the risk of Government intervention in the plan making process. In his July Ministerial Statement, the Planning Minister indicated the Government's intention to publish league tables setting out local authorities' progress on their local plans and in cases where no local plan has been produced by early 2017 - five years after the publication of the National Planning Policy Framework - it will intervene to "*arrange for the plan to be written, in consultation with local people, to accelerate production of a local plan*".
- 31 Therefore, whilst it is recognised that the MoU provides major challenges for all the authorities within the HMA, failure to agree has very significant consequences now and on an ongoing basis in to the future.
- 32 **Where is the evidence to justify the figures in the MoU?** The proposals within the MoU are difficult for all the Warwickshire authorities. The additional housing requirement arising from this work is substantial in each case. However, as set out in paras 7 to 23 above, the MoU is based on an objective assessment of the evidence and on a robust methodology that seeks to ensure the redistribution is fair. Further evidence and detail are provided in the appendices to this report. This evidence should be read alongside each Council's most recent Strategic Housing Land Availability Assessment (SHLAA). In addition, it is important to emphasise that the Warwickshire authorities have carefully reviewed and challenged Coventry City Council's SHLAA. As a result of this, officers are satisfied that the City's SHLAA has been carried out in accordance with the agreed methodology and provides a robust piece of evidence to show that the City's capacity has been appropriately assessed.
- 33 **Why do we need to do deal with this quickly?** Given that Warwick and Stratford-on-Avon's plans are both in Examination, and the former in particular requires the agreement to enable the examination to progress there is a real urgency to reach agreement. However the urgency also applies to those Councils (Rugby, Coventry and Nuneaton and Bedworth) that want to progress their plans to publication stage within a few months. In other words, it is in all the six Councils' interest to not only reach agreement on these matters, but to do so as soon as possible
- 34 The withdrawal of the Warwick Local Plan would have repercussions on the progress of the adjoining Local Plans in the sub-region. Without up to date Local Plans in the Sub-region would create a policy gap for the proper development within each council area that could put in jeopardy the funding for strategic transport, education, and other infrastructure to support

growth. The timely delivery of infrastructure plays a significant part in driving the economy of the sub-region. The policy gap would indicate uncertainty and lack of ambition for growth to existing businesses and inward investors and make desirable schemes less likely to happen. For example, the delay may mean significant delay for the delivery of the sub-regional employment site (The Gateway) and for the new jobs that it is expected to bring. The Gateway forms a key site for the development contained in the Strategic Economic Plan of the Coventry and Warwickshire Local Enterprise Partnership. Therefore, delay of the Local Plan will slow the pace of growth in the wider area.

- 35 A further issue to consider in relation to the timing of the MoU and plan preparation is that in 2016 the ONS will be releasing updated population projections. Whilst this in itself will not necessarily render local plans or the MoU out of date, it is likely to complicate matters further if an MoU has not been agreed and if Local Plans are not progressed. Recent population and household trends and forecasts show a rapidly growing population and housing need in Coventry. In recent years, Coventry has been the fastest growing city outside London and as a result, the housing need forecasts for the City have increased in each of the last four housing projections. There is therefore a strong possibility that the 2016 could show a further increase in the City's population forecasts and without an MoU in place, the issues associated with this could be even harder to resolve and agree. In other words, it is perhaps preferable to "bite the bullet" now as the issues are unlikely to be easier in the future.
- 36 **How does the MoU relate to Birmingham's housing capacity shortfall?** The MoU has been prepared at a time when it is understood that Birmingham City Council has a substantial shortfall in capacity to meet its housing requirement. This shortfall amounts to 37,900 dwellings. **Appendix 6** shows how the Greater Birmingham HMA overlaps with the Coventry and Warwickshire HMA in relation to Stratford-on-Avon and North Warwickshire. The authorities within the Greater Birmingham area have been working together to identify spatial options for addressing Birmingham's shortfall. A number of these options potentially impact on Stratford and North Warwickshire and therefore on the HMA as a whole. However, at the moment no conclusions have been reached regarding the preferred spatial options and involvement of North Warwickshire and Stratford in the process has been limited. The Coventry and Warwickshire MoU therefore cannot and does not directly address the potential implications of Birmingham's shortfall as these are unknown.
- 37 **Is there a joint Spatial Strategy for Coventry and Warwickshire?** No. The merits of different spatial approaches have been assessed and are set out in **appendix 3**. However this does not form part of the MoU and it has been an important principle underpinning the preparation of the MoU that the "sovereignty" of each Council to prepare a local plan according to a locally derived spatial strategy must be adhered to. The MoU therefore sets out the quantum of housing to be delivered by each authority, but does not constrain the spatial strategy to provide this housing.
- 38 **Does the level of housing align with the employment forecasts for the HMA?** Yes. The employment forecasts have been closely examined within the work undertaken by GL Hearn. This shows that for the HMA as a whole, the working age population required for the level of jobs forecast will comfortably be accommodated within the proposed level of housing. In the case of three authorities (Stratford, Nuneaton and Bedworth and North Warwickshire), an uplift in the housing requirement has been agreed to address specific local issues regarding employment growth.
- 39 **How does the MoU relate to the Strategic Economic Plan?** As explained in para 37 above, the MoU does not set out a preferred spatial strategy. However it will be important that the distribution of housing across the HMA takes account of the location of major employment growth centres.

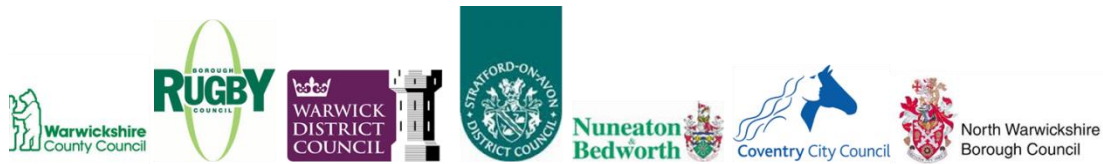
Recommendations

The Shadow EPB is recommended to:

Recommendation 1: Agree the principle of a redistribution in line with the methodology set out in paragraphs 12 to 19 above

Recommendation 2: Agree the Memorandum of Understanding set out in Appendix 1, noting that at this moment in time, clause 4 of the MOU and paragraph 21 of this report, is pertinent to Nuneaton and Bedworth BC.

Recommendation 3: Agree that each of the six Local Plan Authorities within the HMA will seek to formally endorse the MoU by end of November 2015



Memorandum of Understanding relating to the planned distribution of housing within the Coventry & Warwickshire Housing Market Area (HMA)

PARTIES TO THE MEMORANDUM

The Memorandum is agreed by the following Councils:

- Coventry City Council
- North Warwickshire Borough Council
- Nuneaton & Bedworth Borough Council
- Rugby Borough Council
- Warwick District Council
- Stratford–on-Avon District Council
- Warwickshire CC

PURPOSE

This memorandum of understanding seeks to ensure that the housing needs of the C&W HMA are met in full.

This memorandum of understanding establishes a framework for co-operation between the constituent authorities with respect to the delivery of housing across the Coventry and Warwickshire HMA. It is framed within the Localism Act 2011 and the duty to cooperate set out in Section 110. This sets out the way in which the Councils will consult one another and work together on matters which affect more than one local authority area.

There is clear evidence that Coventry City Council is unable to meet its full objectively assessed housing needs within the city boundary and thus is unable to meet the requirements of paragraph 47 of the NPPF. It is agreed that for plan making purposes there is a primary housing market area comprising Coventry and the whole of Warwickshire. As a result the City Council and the five Borough/District Councils within Warwickshire have collaborated to assess the full housing needs of the market area and to establish realistic assumptions about the availability, suitability and viability of land to meet that need, in accordance with paragraphs 159 and 160 of the NPPF.

The focus of this memorandum is to ensure that housing needs arising from the growth of the city's population but not capable of being met within Coventry itself will be met within the HMA as a whole. Each local authority will make best endeavours to deliver the housing as set out in this MoU.

POINTS OF AGREEMENT

The Memorandum has the following broad objective:

The Warwickshire authorities accept that Coventry City Council is unable to accommodate its full housing need. Each Council will therefore cooperate to establish a revised distribution of housing which ensures that the overall needs across the housing market area will be met.

.....

To achieve this objective, it is agreed that:

1. The OAN for the HMA is 85,540 (2011-2031).
2. The table below contains the OAN of each authority within it.

	Average annualised total	Total OAN* (2011-2031)
Coventry	2,120	42,400
North Warwickshire	237	4,740
Nuneaton & Bedworth	502	10,040
Rugby	480	9,600
Stratford-on-Avon	659	13,180
Warwick	600	12,000

Source: Updated assessment of housing need for the C&W HMA, September 2015.

**OAN for NWBC and SDC contains need external to the HMA (2,620 gross dwellings). There is also an element of economic uplift in SDC, NWBC and NBBC which will support redistribution of housing from Coventry (3,800 gross dwellings).*

3. As of September 2015, the table below reflects an appropriate and robust distribution of housing across Coventry and Warwickshire

	TOTAL (2011-2031)
COVENTRY	Minimum of 24600 *
NORTH WARWICKSHIRE	5280
NUNEATON AND BEDWORTH	14060
RUGBY	12400
STRATFORD-ON-AVON	13180
WARWICK	18640
TOTALS	88160

* Should Coventry's capacity increase then the number redistributed to Warwickshire authorities will be considered against the methodology underpinning this report.

4. In the event that, as a result of the completion of Strategic Housing Land Availability Assessment's (to the agreed C&W methodology) it is shown that

the distribution in the Table above cannot be delivered, this MOU will be reviewed so that the overall housing requirement is met within the HMA.

5. In the event that, as a result of co-operation with a local authority outside the housing market area, additional development is to be accommodated within the CWHMA at a level that materially affects the distribution set out in this document, the MoU will be reviewed.
6. Each local planning authority will prepare a Local Plan that reflects the agreed distribution.
7. Each local authority will ensure the most efficient use of land is promoted when delivering housing sites across their area. In doing so density assumptions should be appropriate, justified and deliverable.
8. The plan making process will ultimately establish the capacity of each area and quantities of housing that can be delivered. Through the plan making process, the Councils will continue to monitor the capacity of the HMA and in particular any authority that is unable to meet its OAN or redistributed housing requirement. In this instance, the Councils will seek to maximise the quantity of housing delivered in these authorities.
9. Each local authority is committed to ongoing cooperation and engagement by both officers and members in relation to delivery of housing for the C&W HMA.

LIMITATIONS

For the avoidance of doubt, this Memorandum shall not fetter the discretion of any of the Councils in the determination of any planning application, or in the exercise of any of their statutory powers and duties, or in their response to consultations, and is not intended to be legally binding but shows clear commitment and intent to meeting the full housing needs of the market area.

LIAISON

Member level representatives of the Local Authorities through the Shadow Economic Prosperity Board (EPB) will meet as a minimum yearly or more frequently when appropriate, in order to;

- Maintain and update the memorandum, as necessary.
- Monitor the preparation of Local Plans across the six authorities and discuss strategic issues emerging from them

TIMESCALE

The Memorandum of Understanding is intended to run up to 2031 to align with the timescale of the evidence.

MONITORING

Annual monitoring will be carried out to ensure that housing delivery is maintained throughout the HMA. This will be overseen by the C&W monitoring group which will agree monitoring targets to include permissions, completions and densities. However, due to fluctuations in the market and sites coming on stream a review trigger will come into force if there is a persistent under delivery of housing (against the HMA annualised target) over a consecutive 3 year period.

REVIEW

The document will be reviewed no less than every three years but will be reviewed when new evidence, that renders this MOU out of date, emerges

**Signed on behalf of Coventry City Council
Councillor Ann Lucas**

**Signed on behalf of Warwick District Council
Councillor Andrew Mobbs**

Date:

Date:

**Signed on behalf of North Warwickshire Borough Council
Councillor David Humphreys**

**Signed on behalf of Stratford-on-Avon District Council
Councillor Chris Saint**

Date:

Date:

**Signed on behalf of Nuneaton & Bedworth Borough Council
Councillor Dennis Harvey**

Date:

**Signed on behalf of Warwickshire County Council
Councillor Isobel Seccombe**

Date:

**Signed on behalf of Rugby Borough Council
Councillor Michael Stokes**

Date:

Updated Assessment of Housing Need: Coventry-Warwickshire HMA

Executive Summary

September 2015

Prepared by

GL Hearn Limited
280 High Holborn
London WC1V 7EE

T +44 (0)20 7851 4900
glhearn.com

1 EXECUTIVE SUMMARY

- 1.1 This report provides an updated assessment of the need for housing in the Coventry and Warwickshire Housing Market Area (HMA). It includes a review of existing evidence, and updated assessment of housing need – taking account of the latest evidence including official 2012-based Population and Household Projections, 2013 and 2014 Mid-Year Population Estimates (MYEs), and up-to-date evidence regarding economic growth potential. The report draws this together, using the approach set out in Planning Practice Guidance, to identify the objectively assessed need for housing in the HMA and its consistent authorities.
- 1.2 The 2012-based Household Projections are the ‘starting point’ for considering housing need, following the approach in the PPG. These are based on projecting forward past demographic trends. They show a need for 4,200 homes per year across the HMA between 2011-31. This takes account of 2013 and 2014 MYEs.
- 1.3 A sensitivity analysis is provided setting out that population growth could be from -13% to +20% either side of the core SNPP population projections. Growth at either of these extremes is unlikely, however the analysis demonstrates the potential for a larger error margin associated with projections for Coventry.
- 1.4 The report then assesses economic growth potential, and considers whether this might result in a higher overall need for housing or point towards an alternative distribution of housing provision within the HMA. Three economic forecasts are considered, together with other evidence.
- 1.5 The report concludes that it would be reasonable to plan for 0.7% growth in employment per annum across the HMA over the period to 2031. This would require between 3,600 -3,800 homes per year (2011-31), depending on the distribution of employment growth.
- 1.6 Evidence of economic growth potential in each of the constituent local authorities is considered, and conclusions drawn on the potential scale of employment growth which might be expected, leaving aside supply-side factors. The analysis suggests 3,730 homes per year would be needed. It suggests a need to consider higher potential housing provision in Nuneaton and Bedworth, North Warwickshire and Stratford-on-Avon. For these authorities trend-based population projections see lower overall levels of population growth, supporting limited workforce growth. The report considers that higher levels of migration to these areas might be expected in the future, relative to past trends.
- 1.7 GL Hearn considers that where an authority is meeting unmet needs from another, this will support population and workforce growth within the receiving authority’s area. On this basis it is important not to double count unmet needs and provision to meet economic growth.

1.8 The report has considered market signals, and if there is a case for adjusting housing provision to improve affordability. The evidence points to market conditions in the HMA which are very much “average” relative to the national position. Affordability is similar to the national average. The average house price is below the national average, as is the average rental cost. The evidence does however show that affordability declined over the decade to 2007. It suggests a relationship between this and household formation amongst younger households.

1.9 The report includes an updated assessment of the need for affordable housing, following the approach set out in the Planning Practice Guidance. Overall a net need for affordable housing of 1,462 per annum is identified. This represents the level of housing provision which would be needed if all households who required some form of financial support were to be allocated an affordable home.

1.10 The table below sets out the demographic-based need, affordable housing need and housing need necessary to support economic growth for each local authority. It compares the affordable need with those derived from the demographic projections.

Table 1: Affordable Need relative to Demographic- and Economic-led Projections

Housing Need per Annum, 2011-31	Annual Affordable Need	2012-based SNPP	Affordable as % SNPP	Economic-led Need	Affordable as % Economic-led Need
Coventry	600	2,099	29%	1,350	44%
North Warwickshire	92	163	56%	210	44%
Nuneaton & Bedworth	85	423	20%	496	17%
Rugby	171	464	37%	425	40%
Stratford-on-Avon	233	449	52%	650	36%
Warwick	280	600	47%	600	47%
Coventry/Warwickshire	1,462	4,197	35%	3,731	39%

1.11 Taking account of the evidence of affordable housing need and the market signals analysis, there is some basis for considering the case for adjustments to the overall housing need in order to improve affordability. The report considers that the net impact of an improvement in affordability on overall housing need would be to enhance household formation amongst younger households in their 20s and 30s. The report identifies that an additional 75 homes per year would be sufficient to support this.

1.12 The evidence is drawn together to provide conclusions on housing need for the HMA, and consistent authorities. The need is built up using the following approach:

- The demographic-based need forms the starting point; plus
- Adjustments where appropriate to support economic growth (more people); and
- Adjustments where appropriate to improve affordability (higher household formation).

Table 2: Conclusions on Objectively-Assessed Housing Need, Homes per Annum 2011-31

	Demographic-based Need	Supporting Economic Growth	Improving Affordability	Total
Coventry	2,099	0	21	2,120
North Warwickshire	163	47	27	237
Nuneaton & Bedworth	423	73	6	502
Rugby	464	0	16	480
Stratford-on-Avon	449	201	9	659
Warwick	600	0	0	600
Coventry/Warwickshire	4,197	-	75	4,272

- 1.13 The OAN conclusions are for C3 dwellings. This does not include provision for C2 accommodation for older persons, not student bedspaces such as within halls of residence.
- 1.14 OAN figures do not represent plan targets. They represent a starting point for considering housing provision within local plans. It is for the plan-making process to overlay issues related to land availability, development constraints and infrastructure; and to consider other policy factors. The figures set out however provide an important starting point for plan-making, following national policy.
- 1.15 GL Hearn considers that unmet needs should be assessed against the demographic-based need plus affordability uplift. Adjustments to support economic growth can contribute to meeting unmet needs from other areas, as meeting unmet needs will support population and workforce growth.

Assessment of Spatial Options for Addressing Shortfall in Housing

	Functional relationship	Transport	Economic	Infrastructure	Housing & Community	Environment	Delivery
Edge of Coventry	++	+	++	++	++	-	++
Growth Corridors	++	++	++	++	++	-	++
Urban Areas	+	+	+	+	+	-	+
Dispersed	--	-	+/-	-	-	--	++
New settlement	+/_	+	-	+	+/_	--	+/_
Outside Green Belt	--	+/_	-	+/_	+/_	--	+/_

Spatial Approach: Summary

	Functional relationship	Transport	Economic	Infrastructure	Housing & Community	Environment	Delivery
Edge of Coventry	++	+	++	++	++	-	++
Growth Corridors	++	++	++	++	++	-	++
Urban Areas	+	+	+	+	+	-	+
Dispersed	--	-	+/-	-	-	--	++
New settlement	+/_	+	-	+	+/_	--	+/_
Outside Green Belt	--	+/_	-	+/_	+/_	--	+/_

Appendix 4

Commuter flows to and from COVENTRY

Source: ONS

Commuting Table 1:

2001 DATA	Flows	Flows	2001
	into Cov	out of Cov	GROSS
North Warwickshire	1716	709	2425
Nuneaton and Bedworth	12155	4217	16372
Rugby	5120	4747	9867
Stratford-on-Avon	2019	1067	3086
Warwick	7657	7199	14856
TOTAL FLOWS	28667	17939	46606

2001 DATA	
% of	
TOTAL	RND
5.20	5
35.13	35
21.17	21
6.62	7
31.88	32
100	100

Commuting Table 2:

2011 DATA	Flows	Flows	2011
	into Cov	out of Cov	GROSS
North Warwickshire	1614	1134	2748
Nuneaton and Bedworth	11392	4878	16270
Rugby	4909	3805	8714
Stratford-on-Avon	1854	1976	3830
Warwick	7903	9249	17152
TOTAL FLOWS	27672	21042	48714

2011 DATA	
% of	
TOTAL	RND
5.64	6
33.40	33
17.89	18
7.86	8
35.21	35
100	100

Internal Migration

Source: ONS

For example, 1,580 people moved from Coventry to North Warwickshire between 2000 and 2013.

For example, 2,180 people moved from North Warwickshire to Coventry between 2000 and 2013.

Migration Averages Table

	13 YR DATA			10 YR TREND			5YR TREND		
	TOTAL GROSS	% OF TOTAL	RND	TOTAL GROSS	% OF TOTAL	RND	TOTAL GROSS	% OF TOTAL	RND
North Warwickshire	3,760	4.50%	5	3,110	4.60%	5	1,710	4.89%	5
Nuneaton and Bedworth	26,450	31.80%	32	20,970	31.40%	31	10,720	30.60%	31
Rugby	12,890	15.50%	16	10,110	15.10%	15	5,180	14.80%	15
Stratford-on-Avon	4,530	5.40%	5	3,500	5.20%	5	1,730	4.90%	5
Warwick	35,380	42.60%	43	28,920	43.40%	43	15,610	44.60%	45
	83,010	100%	101	66,610	100%	99	34,950	100%	101

AVERAGE	
AVERAGE OF %	RND
4.66%	5
31.27%	31
15.13%	15
5.17%	5
43.53%	44
	100

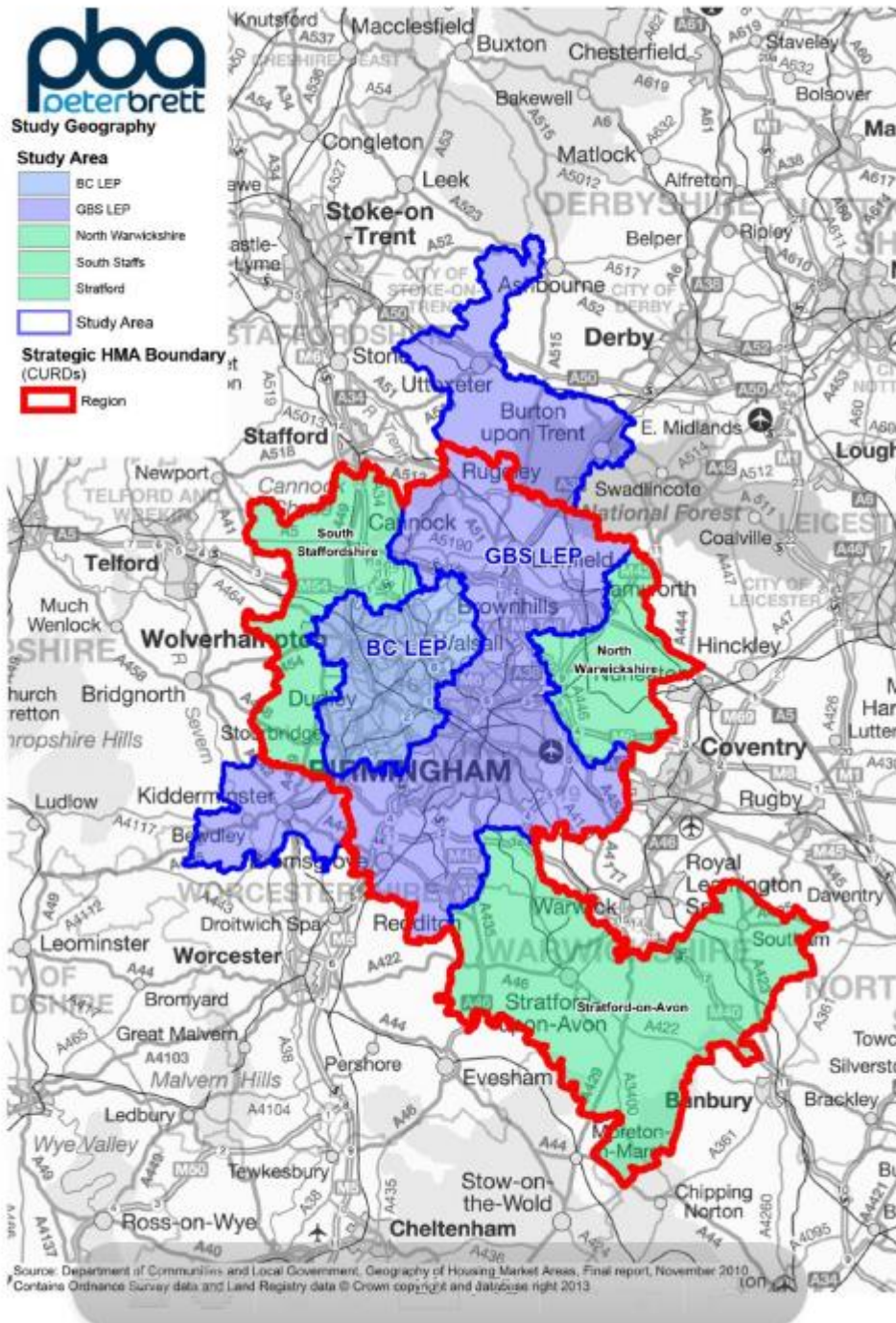
Redistribution Formula

TABLE 3: AVERAGE OF COMMUTING RATIO AND MIGRATION TRENDS	B	C	D	E	F	G	H	I	J	K	L
	current unmet need	Tested % for redistribution (see table 3a)	total initial redistribution (B*C)	PHASE 1: initial redistribution to support employment OAN	Phase 2 redistribution - left to plan (D-E)	Recalculating any over provision against initial redistribution* (F38*B)	redistribution to recalculated supply difference** (G/4)	total deduction (G+H)	PHASE 2: total reprovision (I+J)	Total reprovision (I+E)	Annualised reprovision (2011-2031)
CCC	17,800	-	-	-	14,000	-	-	-	-	-	-
NORTH WARWICKSHIRE		5.1%	908	320	588	-44	-14	-58	530	850	42.49
NUNEATON AND BEDWORTH		32.4%	5,767	1,460	4,307	-280	-14	-294	4,014	5,474	273.68
RUGBY		16.5%	2,937	0	2,937	-142	-14	-156	2,781	2,781	139.03
STRATFORD-ON-AVON		6.5%	1,157	2,020	-863	-56	-	-	0	2,020	101.00
WARWICK		39.3%	6,995	0	6,995	-339	-14	-353	6,642	6,642	332.11
TOTALS	17,800	100%	17,764	3,800	13,964	-861	-56	-861	13,966	17,766	888

2011 COMMUTING DATA	10 YEAR MIGRATION	AVERAGE
-	-	-
5.64	4.60	5.1
33.40	31.40	32.4
17.89	15.10	16.5
7.86	5.20	6.5
35.21	43.40	39.3
100	100	99.85

* for the purposes of this approach this equals the -852 at Stratford multiplied for each authority by the % figures in column B.

The relationship between the C&W and Birmingham HMAs



APPENDIX 2

Coventry, Warwickshire and Hinckley & Bosworth Joint Committee

21st July 2016

**Coventry and Warwickshire
Employment Land Memorandum of Understanding**

1 Summary and Recommendations

1.1 This report seeks agreement to an Employment Land Memorandum of Understanding. Specifically it seeks to ensure that the employment land needs of Coventry and Warwickshire are met in full including addressing an identified shortfall of employment land provision arising in Coventry

1.2 The Joint Committee is recommended to:

- a) Agree the Employment Land Memorandum of Understanding (ELMOU) set out in Appendix 1.
- b) Agree that each of the six Local Plan Authorities within Coventry and Warwickshire will seek to formally endorse the ELMOU by end of October 2016
- c) Note the position update with regard to the Housing Memorandum of Understanding as set out in paragraphs 6.1 and 6.2 below

2 Introduction

2.1 This report explains the C&W Employment Land MOU and the process undertaken to arrive at the agreed distribution. Broadly, that process has the following three parts:

- Review of evidence;
- Assessment of redistribution options;
- Develop redistribution method.

3 Conclusions from review of evidence

3.1 Local and sub-regional level evidence has informed the MOU. Each of these documents are available for review. The main findings are briefly summarised below:

- a) **Coventry and Warwickshire Employment Land Requirement:** The sum of each District's most recent employment land study suggests the overall quantum of employment land required in Coventry and Warwickshire between 2011 and 2031 is 714 (gross) hectares. This broadly aligns with the Coventry

and Warwickshire Employment Land Use Study (CBRE 2015) which suggested up to 660 hectares for Coventry and Warwickshire.

b) Evidence regarding the Distribution of the Requirement: The employment land studies undertaken by each District provide the basis for how this requirement should be distributed between the six local authorities. Details of this are set out in Table 1 of the Points of Agreement within the draft MOU.

c) Availability of Employment Land to meet the Requirement: Assessments of land availability indicate that the five Warwickshire authorities can meet their local employment land requirements within their areas. However, the evidence indicates that Coventry is unable to meet its employment land requirement in full within the City boundary and that the shortfall is 241 hectares.

4 Approach to redistributing the shortfall in requirement:

4.1 To support the Points of Agreement, the resulting shortfall of 241 gross hectares needs to be redistributed from Coventry to the Warwickshire authorities in a justified and appropriate way. The approach taken is as described below.

4.2 Stage 1: Assessment of Redistribution Options:

4.2.1 In preparing the Housing MOU in 2015, the Coventry and Warwickshire authorities undertook a high level assessment of the sustainability impacts of six broad options for the redistribution of Coventry's Housing shortfall. This work concluded that locations close to, or with good accessibility to, the City should be preferred to other options (such as dispersal or new settlements).

4.2.2 In line with the NPPF (for instance paragraphs 17 and 34), it is suggested that the assessment undertaken for the Housing MOU also applies to the redistribution of employment land.

4.2.3 In addition, an employment land redistribution approach which aligns with the approach taken to housing land redistribution will help to support sustainable communities, minimisation of the need to travel and sustainable modes of transport. It is therefore proposed that the employment land redistribution from Coventry to Warwickshire should in the first instance, be based on evidence relating to:

- Commuting flows; and
- The redistribution of housing as set out in the Housing MOU

4.2.4 However, the NPPF also requires that unemployment and regeneration is addressed and that market signals are taken in to account. Evidence regarding these, therefore needs to be used to make appropriate adjustments.

4.2.5 It should also be remembered that the plan period during which the evidence referred to above applied commenced in 2011. It is therefore necessary to consider any relevant employment completions, commitments and proposed allocations since that date before a final redistribution can be agreed.

4.3 Stage 2: Applying Commuting Flows

4.3.1 The starting point for considering the redistribution should reflect commuting flows between Coventry and each of the Warwickshire Districts. These commuting flows informed the housing distribution agreed in 2015 but are considered to be more relevant when considering employment distribution given the movements they report.

4.3.2 The 2011 census indicates that the two-way commuting flows between Coventry and Warwickshire occur according to the following percentages:

- North Warwickshire BC: 6%
- Nuneaton and Bedworth BC: 33%
- Rugby BC: 18%
- Stratford-on-Avon DC: 8%
- Warwick DC: 35%

4.3.3 Table A below shows the indicative quantum of employment land redistributed to each District if commuting patterns are applied to a shortfall of 241 gross hectares:

Table A

Authority	Percentage of Coventry to Warwickshire Commuting (two way)	Indicative employment land redistribution
North Warwickshire	6%	15 ha
Nuneaton and Bedworth	33%	80 ha
Rugby	18%	43 ha
Stratford	8%	19 ha
Warwick	35%	84 ha
Total	100%	241

4.4 Stage 3: Cross reference with the Housing MOU

4.4.1 The approach set out in stage 2 applies a redistribution based on existing commuting patterns. It does not therefore take account of the proposed redistribution of housing from Coventry to Warwickshire as set out the 2015 Housing MOU. This redistribution may well alter commuting flows in future.

4.4.2 Appendix 1 sets out a methodology that aligns employment land redistribution with the proposed housing redistribution set out in the 2015 MOU. The appendix also sets out the outcomes of that methodology.

4.4.3 Table B below shows the indicative quantum of employment land redistributed to each District if alignment with the Housing MOU is applied to a shortfall of 241 hectares:

Table B

Authority	Indicative employment land
-----------	----------------------------

	redistribution
North Warwickshire	10 ha
Nuneaton and Bedworth	71 ha
Rugby	45 ha
Stratford	10 ha
Warwick	105 ha
Total	241 ha

4.4.4 It can be noted that the indicative redistribution above is similar to that resulting from stage 2. That is in part because commuting data informed the distribution applied to housing as part of the MOU. Both stage 2 and stage 3 indicate a distribution that would see the majority of the shortfall accommodated in Warwick District, Rugby Borough and Nuneaton and Bedworth Borough.

4.5 Stage 4: Taking account of further considerations

4.5.1 The indicative quantum set out in Tables A and B above needs to be adjusted to take account of market signals and unemployment and urban regeneration as required by Planning Practice Guidance.

4.5.2 Market Signals: The Local Enterprise Partnership collates evidence regarding market signals. Whilst the signals provide a constantly evolving picture, the evidence from market signals currently points towards a number of key factors which could impact on the redistribution. These factors are:

- Pressures for B8 uses close to the trunk road network and particularly the motorway network to the north and east of the sub-region;
- Pressures for B2 uses, particularly associated with the automotive sector, in the central and southern parts of the sub-region;
- Concerns about a lack of “oven ready” sites for expansion and relocation of businesses across the sub-region.
- Importance of close links to both universities
- A lack of high quality office space which is being combatted by Friargate proposals
- The draw of JLR and demand for sites to support close supply chain location etc

4.5.3 However, the signatories of the Employment Land MOU recognise that more work needs to be done to collate data and monitoring market signals on an ongoing basis. The MOU therefore includes a clause to ensure that processes and responsibilities are put in place to strengthen this part of the evidence base. Processes to collate this information are already in place though through the Coventry and Warwickshire Monitoring group, supported by the LEP and Warwickshire Observatory.

4.5.4 Unemployment and Urban Regeneration: The Atkins Report (2014) analyses which parts of the sub-region have the greatest needs for employment and suggests that the areas of greatest need should be those meeting the following criteria:

- Areas that have seen significant population growth over the past 10 years and are projected to see further growth in the future;

- Areas with high levels of unemployment; and
- Areas with high levels of deprivation.

4.5.5 In terms of population, Coventry is the sub-region's main urban centre accounting for approximately 37% of the sub-region's total population. Its population grew by 22,400 people between 2003 and 2012 (latest available data), accounting for 40% of the sub-region's population growth over that period. Coventry is expected to continue to be the focus of population growth, with CWLEP's Strategic Economic Plan stating that half of the sub-region's 80,000 population increase will take place in Coventry.

4.5.6 In terms of unemployment, the latest available data for the period April 2013 to March 2014 show that Nuneaton and Bedworth had the highest unemployment rate in the sub-region but all other local authorities had unemployment rates below the England average of 7.3%. Examining the unemployment rate trends over the period 2006-2014 though, Coventry had the highest average unemployment rate in the sub-region (8.1%), followed by Nuneaton and Bedworth (7.7%) and North Warwickshire (6.9%).

4.5.7 According to the English Indices of Deprivation, Coventry and Nuneaton and Bedworth are the only local authorities in Coventry and Warwickshire that are ranked among the 50% most deprived in England. Coventry in particular is ranked 53rd out of 326 local authorities in England and is therefore in the 20% most deprived.

4.5.8 The Atkins Report therefore concludes that the consideration of population growth, unemployment rates and deprivation levels suggests that the greatest areas of need in Coventry and Warwickshire are Coventry, Nuneaton and Bedworth and North Warwickshire. Coventry in particular has a rapidly growing population, and relatively high levels of deprivation, making it an area that would clearly benefit from further employment creation and regeneration.

4.5.9 Based on the above and in line with CWLEP's Strategic Economic Plan it is considered that the areas around Coventry and to the north of the LEP area would particularly benefit from the provision of new employment opportunities and developments that would contribute to local regeneration objectives. These local economic needs should be considered in the event of strategic employment sites being formally adopted as part of the Local Plan process.

4.6 Stage 5: Drawing conclusions on redistribution

4.6.1 Drawing together data from stages 2, 3 and 4 the following table sets out the conclusions on the redistribution of Coventry's Employment Land shortfall:

- Warwick, Nuneaton and Bedworth and Rugby have the strongest commuting relationships with Coventry;
- The redistribution of housing from Coventry is focused strongly in Warwick, Nuneaton and Bedworth and Rugby;
- Warwick, Nuneaton and Bedworth and Rugby provide locations which are consistent with the emerging market signals;
- Locations close to the City within Warwick, Rugby and in particular locations towards the northern edge of the City and around Nuneaton

and Bedworth will help to support the regeneration and address unemployment

- Stratford and North Warwickshire have weaker commuting relationships with Coventry and are less well placed to support regeneration of deprived areas.
- Although market signal suggests the North Warwickshire is well placed to support B8 uses and Stratford District is well placed to support growth in B2 uses, their relative remoteness from the City means they are not the preferred locations for these uses when considering a redistribution of Coventry's need. Further the three authorities immediately adjacent to the urban area of the City also have the potential to provide suitable locations for these uses.

4.6.2 Table C below summarises a redistribution resulting from stages 1-5:

Table C

Authority	Indicative Redistribution – Commuting Flows	Indicative Redistribution – Housing MOU	Market Signals	Regeneration and Unemployment	Conclusion
North Warwickshire	15 ha	10 ha	No adjustment	Low impact – downward adjustment	0
Nuneaton and Bedworth	80 ha	71 ha	No adjustment	High impact – upwards adjustment	91 ha
Rugby	43 ha	45 ha	No adjustment	Medium impact - No adjustment	45 ha
Stratford	19 ha	10 ha	No adjustment	Low impact – downward adjustment	0
Warwick	84 ha	105 ha	No adjustment	Medium impact - No adjustment	105 ha
Total	241 ha	241 ha			241

4.7 Stage 6: Existing completions, commitments and proposed allocations

4.7.1 As stated, completions since the commencement of the plan period in 2011 need to be considered as do current commitments, proposed allocations and associated live applications as these help to evidence market interest and site deliverability.

4.7.2 Two sites of sub-regional significance in Rugby Borough have been brought forward since 2011, with substantial completions already recorded. These sites at Ansty Park and ProLogis Ryton were always intended to meet employment land needs beyond that required specifically for Rugby Borough. Given the close proximity of both sites to Coventry there has been an informal agreement that these sites can contribute to the City's employment land requirements. This is referenced within the adopted planning policy of Rugby Borough Council, the Employment Land Reviews for Coventry and Rugby and was also recognised in the RSS revision prior to its abolition. Monitoring has been carried out with this in mind. These two sites should therefore be considered to be providing for Coventry's Employment Land requirements.

4.7.3 A further site of sub-regional significance in the vicinity of Coventry Airport is proposed for an employment allocation within the Warwick District Local Plan. Except for a small proportion, this site provides for sub-regional employment land needs rather than the needs of Warwick District. Subject to the adoption of the Warwick's Local Plan, this site will also contribute to Coventry's employment land requirements.

4.7.4 These three sites therefore have the potential to contribute to the redistribution of Coventry's employment shortfall as follows:

Table D

Site	Area
Ansty Park	41 ha
ProLogis Ryton	57 ha
Land in the vicinity of Coventry Airport	117 ha
Total	215 ha

4.7.5 Table E below contains adjustments to table C above that reflect these completions and commitments.

Table E: Adjustments for Existing completions, commitments and proposed allocations

Authority	Proposed Redistribution	Existing completions, commitments and proposed allocations	Balance
North Warwickshire	0	0	0
Nuneaton and Bedworth	91 ha	0	-91ha
Rugby	45ha	98ha	+43ha
Stratford	0	0	0
Warwick	105ha	117ha	+12 ha
Total	241ha	215ha	-26 ha

4.7.6 Taking existing completions, commitments and proposed allocations in to account suggests an under-provision in Nuneaton and Bedworth and an over-provision in Rugby Borough. However, given that Ansty Park lies close to the boundary with Nuneaton and Bedworth and ProLogis Ryton, is well connected via the trunk road network, this imbalance is not considered significant, particularly when administrative boundaries are removed from the picture.

4.7.7 It is therefore proposed that previous agreements about the role of these sites in making provision over and above local need, is now formalised in the ELMOU as being an important part of the redistribution of employment land to meet Coventry's needs. This approach is consistent with the emerging evidence.

4.7.8 There remains a balance of 26 hectares of Coventry’s shortfall, which needs to be accommodated within Warwickshire. The evidence presented above suggests that this should be met within Nuneaton and Bedworth Borough.

4.8 Stage 7: Testing proposed redistribution against availability of suitable employment land sites

4.8.1 The final stage is to test whether there is capacity within Nuneaton and Bedworth to meet the remaining shortfall. In assessing potential capacity, it is also important to consider whether any potential sites will meet market demands and are deliverable and viable.

4.8.2 NBBC have completed an Employment Land Review which has identified potential capacity within the Borough to meet both the local employment land need and the additional requirement of 26 hectares. However, further assessment work is still being undertaken before this can be confirmed. This will be completed in the Autumn. The ELMOU recognises this uncertainty by including a review clause (8.2) in the event that it is demonstrated through the Plan making process that the proposed distribution cannot be delivered.

5 Proposed distribution of employment land across Coventry and Warwickshire

	Employment Land Requirement (gross hectares)	Redistribution from Coventry (gross hectares)	Minimum Local Plan Employment Provision (gross hectares)
Coventry	369	-	128
North Warwickshire	58	0	58
Nuneaton & Bedworth	87	26	113
Rugby	99	98	197
Stratford-on-Avon	35	0	35
Warwick	66	117	183
Total	714	241	714

6. Housing Memorandum of Understanding Update

6.1 Nuneaton and Bedworth BC were unable to sign the Housing MOU at the end of 2015 as the Council’s evidence base did not indicate that there was sufficient capacity to accommodate the level of growth identified through the redistribution methodology. The Council did however commit to reviewing the evidence. This work is ongoing and Nuneaton and Bedworth BC will be able to review their position on the MOU in the Autumn once the work is complete.

6.2 With regard to the other Councils in the HMA, all have formally endorsed the agreement and all are committed to delivering Local Plans that align with it.



Memorandum of Understanding relating to Employment Land Requirements and Distribution within Coventry & Warwickshire

1 PARTIES TO THE MEMORANDUM

1.1 The Memorandum is agreed by the following Councils:

- Coventry City Council
- North Warwickshire Borough Council
- Nuneaton & Bedworth Borough Council
- Rugby Borough Council
- Stratford-on-Avon District Council
- Warwick District Council
- Warwickshire CC

2 PURPOSE

2.1 This Employment Land Memorandum of Understanding (ELMOU) sets out the agreed position of the Local Authorities within Coventry and Warwickshire with the support of the Coventry and Warwickshire Local Enterprise Partnership with regard to:

- The employment land requirements of each local authority area within the Coventry and Warwickshire sub-region
- The redistribution of employment land requirements required to address the shortfall in supply within Coventry City
- A commitment to meet the employment land requirements of each local authority area within the sub-region.

2.2 The ELMOU seeks to ensure that the employment land requirements of Coventry and Warwickshire are met.

2.3 The ELMOU should be read in conjunction with the Coventry and Warwickshire Housing MOU agreed in 2015/16.

2.4 In particular the ELMOU seeks to ensure that the employment land needs of Coventry City are met. There is clear evidence Coventry City Council is unable to meet its full employment requirement within the City boundary. As a result the five

Borough/District Councils within Warwickshire have collaborated with the City Council and the CWLEP to ensure sufficient employment land is provided to meet both the City's needs and the needs of the Housing Market Area as a whole.

3 POINTS OF AGREEMENT

3.1 The parties agree that the employment land requirements of each local authority area within the Coventry and Warwickshire HMA are as shown in Table 1 below:

Table 1: Employment Land Requirements 2011-2031 (by local authority area)

	Total Employment Land Requirements (gross Hectares)
Coventry	369
North Warwickshire	58
Nuneaton & Bedworth	87
Rugby	99
Stratford-on-Avon	35
Warwick	66
Total	714

3.2 The parties agree that (allowing for flexibility in supply over and above minimum need and replacement provision to support housing delivery) Coventry City Council is unable to meet its employment land requirement in full within the City boundary and that the shortfall in employment land supply is approximately 241 hectares.

3.3 Table 2 below shows the agreed position of the parties with regard to the redistribution of Coventry's employment land requirements

Table 2: Redistribution of Coventry's unmet employment land requirements 2011-2031 (by Local authority area)

	Redistribution of employment land from Coventry (gross hectares)	Notes
North Warwickshire	0	
Nuneaton & Bedworth	26	To be confirmed through Plan making process
Rugby	98	Completions and ongoing developments at Ansty Park and ProLogis Ryton
Stratford-on-Avon	0	
Warwick	117	Proposed allocation at Land adjacent to Coventry Airport
Total	241	

3.4 Reflecting points 3.1, 3.2 and 3.3 above, the parties agree that the minimum employment land provision within each local authority area is as set out in Table 3 below:

Table 3: Minimum employment land provision 2011-2031 (by local authority area)

	Employment Land Requirement (gross hectares)	Redistribution from Coventry (gross hectares)	Minimum Local Plan Employment Provision (gross hectares)
Coventry	369	-	128
North Warwickshire	58	0	58
Nuneaton & Bedworth	87	26	113
Rugby	99	98	197
Stratford-on-Avon	35	0	35
Warwick	66	117	183
Total	714	241	714

3.5 Each local planning authority will prepare a Local Plan that provides for the minimum employment land requirement set out in table 3 above. In the event that it is demonstrated through the Plan making process that the distribution set out in tables 2 and 3 above cannot be delivered, this MOU will be reviewed so that the overall employment land requirement is met within the C&W area.

3.6 In partnership with the C&W LEP and WCC the local planning authorities commit to the on-going development of their evidence base and monitoring of market signals and intelligence to help manage and maintain appropriate employment land provisions across the sub-region.

3.7 Each local authority is committed to ongoing cooperation and engagement by both officers and members in relation to delivery of employment land for the C&W area.

4 LIMITATIONS

4.1 For the avoidance of doubt, this Memorandum shall not fetter the discretion of any of the Councils in the determination of any planning application, or in the exercise of any of their statutory powers and duties, or in their response to consultations, and is not intended to be legally binding but shows clear commitment and intent to meeting the full employment land requirements of the Coventry and Warwickshire sub-region.

5 LIAISON

5.1 Member level representatives of the Local Authorities through the Joint Committee (or appropriate replacement body) will meet as a minimum yearly or more frequently when appropriate, in order to:

- Manage duty to cooperate responsibilities in relation to employment land;
- maintain and update the memorandum, as necessary; and
- Monitor the preparation of Local Plans across the six authorities and discuss strategic issues emerging from them.

6 TIMESCALE

6.1 The Memorandum of Understanding is intended to run up to 2031 to align with the timescale of the evidence.

7 MONITORING

7.1 Annual monitoring will be carried out to ensure that the delivery of employment land is maintained throughout the sub-region. This will be overseen by the C&W monitoring group and will include data regarding permissions, completions, land availability and any market signals information provided by the C&W LEP.

8 REVIEW

8.1 The document will be reviewed in the event that as a result of co-operation with a local authority outside the sub-region, additional employment related development is to be accommodated within Coventry and Warwickshire at a level that materially affects the overall distribution of development in the sub-region (having regard to appropriate and justified alignment between housing and employment provision).

8.2 The document will also be reviewed no less than every three years but also if significant new evidence emerges that renders this MOU out of date.

**Signed on behalf of Coventry City Council
Councillor George Duggins**

Date:

**Signed on behalf of North Warwickshire Borough Council
Councillor David Humphreys**

Date:

**Signed on behalf of Nuneaton & Bedworth Borough Council
Councillor Dennis Harvey**

Date:

**Signed on behalf of Rugby Borough Council
Councillor Michael Stokes**

Date:

**Signed on behalf of Stratford-on-Avon District Council
Councillor Chris Saint**

Date:

**Signed on behalf of Warwick District Council
Councillor Andrew Mobbs**

Date:

**Signed on behalf of Warwickshire County Council
Councillor Isobel Seccombe**

Date:

LPA and approach	Total Homes Redistributed from Coventry through		
	Aligning population and economic growth	Further redistribution from Coventry	Total
Coventry City	-3,800	-14,000	-17,800
Rugby Borough	0	2,800	2,800
Warwick District	0	6,640	6,640
Stratford on Avon District	2,020	0	2,020
Nuneaton and Bedworth Borough	1,460	4,020	5,480
North Warwickshire Borough	320	540	860
Totals	0	0	0

To reflect requirements	
Coventry total employment land requirement =	369
Coventry employment land capacity alongside 25,000 homes	128
unmet proportion of requirement	241
unmet housing need	17800
constrained supply equivalent - employment land per home	0.013539326

Total Redistribution of employment land aligned to housing redistribution
-241.00
37.91
89.90
27.35
74.20
11.64
0

Figures Rounded for MOU
-241.00
38.00
90.00
27.50
74.00
11.50
0