

**Coventry and Warwickshire and South West Leicestershire Joint Committee**  
**27<sup>th</sup> January 2017**

**Nuneaton and Bedworth Borough Plan: Implications for the Sub Regional Housing Memorandum of Understanding**

**Purpose of this Report**

- 1 This report has been prepared to propose a process and timetable to address the shortfall in housing provision in the sub-region following the recent publication of Nuneaton and Bedworth Borough Council's (NBBC) Cabinet Papers regarding the Borough Plan.

**Background**

- 2 In the Autumn of 2015 the Coventry and Warwickshire Councils (with the exception of Nuneaton and Bedworth) agreed a Memorandum of Understanding (MOU) for the redistribution of housing to ensure the sub-region's housing need was met in full. Since that time, the Councils have been progressing Local Plans in line with the MOU. The MOU was based on a redistribution that took account of the functional relationships (commuting patterns and migration) between Coventry and recipient authorities. This process indicated a redistribution to Nuneaton and Bedworth of 4020 dwellings to 2031.
- 3 The report on the MOU to the Joint Committee in September 2015 explained that *"at this point in time, the evidence shows there is some uncertainty about the ability of NBBC to meet the whole of the additional requirement...NBBC 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"*. For this reason NBBC did not endorse the MOU.
- 4 NBBC have now completed work on their SHLAA and based on this, have prepared a Publication Draft Borough Plan that will be considered by Cabinet on 25<sup>th</sup> January. If supported by Cabinet, this will be subject to a 6 week period of consultation prior to submission. Having completed work on the SHLAA, paragraph 3.4 of the Cabinet report indicates that the shortfall in housing provision to 2031 is 2092 dwellings.
- 5 It should also be noted that in the Employment Land MOU which all the Coventry and Warwickshire authorities have endorsed, NBBC made a conditional commitment to make provision for an additional 26 hectares of employment land as part of the redistribution, subject to there being no planning considerations that stood in the way of that commitment. The draft Borough Plan makes provision for an additional 16.6 hectares. Therefore, there is also a shortfall in employment land provision of 9.4 hectares.
- 6 NBBC has given assurances that they have fully adhered to the agreed SHLAA process, have endeavoured to accommodate as much of the redistributed housing and employment growth as possible, and have only rejected sites based on genuine and evidenced planning criteria. However, this has not as yet been tested as was done with Coventry's allocations when the City Council stated that it could not meet its housing and employment requirements within its own borders.

- 7 NBBC are under the same pressures as other Councils from unplanned development, loss of infrastructure funding, the threat of Government intervention, the threatened loss of New Homes Bonus and the potential freedom to set their own planning fees where Local Plans are not in place. Consequently they feel compelled to progress their Plan, which has already been subject to significant delays, as quickly as possible. However, it is recognised that in order for NBBC to progress quickly without risk it will need to be demonstrated that it has met the Duty to Cooperate requirements of plan preparation of which ensuring that its housing and employment proposals have been properly tested given that the MOU allocations are not proposed to be met.

### Process and Timetable

- 8 There are number of key steps that are proposed to address this issue. These are:
- a. **Testing NBBC's SHLAA:** In line with the approach taken to Coventry's SHLAA in 2015, the other Councils in Coventry and Warwickshire will need to review NBBC's SHLAA, (including its conformity with the joint SHLAA methodology and the evidence base that supports it), to ensure they are entirely satisfied that the Borough's housing land capacity has been fully utilised. This will involve NBBC making their full evidence base available for scrutiny (this is already in progress and will be completed by 30<sup>th</sup> January) and officers responding to queries from the other Councils as requested, culminating in a workshop. This officer workshop is scheduled for 1<sup>st</sup> February. Clearly at this stage it is not known what the outcome of the period of review will be. However assuming that officers of all the other Councils are satisfied that the evidence and conclusions are robust, then time will be need to be allowed for officers to brief Members in each authority.
  - b. **Options for the Way Forward:** Assuming that the process of testing NBBC's SHLAA supports the conclusions that NBBC have reached, it will be necessary to consider the implications for the MOU and options for the way forward. It is proposed that officers begin the process as early as possible and at the latest on or soon after the 1<sup>st</sup> February with a view to sharing these options with the "Members Reference Group" (this was the group of members - predominantly portfolio holders - that met to steer the development of the MOUs.)
  - c. **Recommended Way Forward:** Following the Members Reference Group meeting it is suggested that a recommendation on the way forward in relation to both housing and employment land provision be considered by the Joint Committee. To enable this to take place within the timescales that NBBC are aiming for, this will require to be considered at the next joint Committee date of 8th March 2017.

9 Timetable

Officer workshop to test NBBC SHLAA	1/2/17
SHLAA briefings for Members	2/2/17 to 22/2/17
Officers meetings to identify options for the way forward	1/2/17 to 22/2/17
Members Reference Group	Late February (date to be established)
Next Joint Committee	8th March (prior to end of NBBC consultation period)

- 10 It should be noted that this timescale is very much driven by NBBC's consultation period which starts on 30<sup>th</sup> January and ends on 13<sup>th</sup> March. It is suggested that all the Councils should try to support NBBC in achieving this timescale having regard to the intense pressures under which it is working. However, it should also be noted that it is a tight timetable in the context of having to address some complex and sensitive Duty to Cooperate (DTC) issues. Given this, there is a significant risk that it will not be possible to agree on a way forward within the timescales of NBBC's consultation period and more time may need to be allowed if NBBC are to be able to proceed without risk.
- 11 Further, the process assumes that the 1<sup>st</sup> February workshop will provide clear assurance that NBBC's SHLAA is robust and that the conclusions on the Borough's capacity are appropriate, or not. However, there is a risk that there will be ongoing doubts or even disagreements arising from the workshop. In that event, it is likely that further time will be required to provide more evidence and/or to resolve disagreements. Without knowing the nature and extent of these potential issues, it is difficult to predict the impact this might have on the above timetable. The proposal would be that the outcome of the process set out in the preceding paragraphs of this report be reported to the next meeting of the Joint Committee. There are however two possible (amongst a number of) potential scenarios of outcomes for Members to be aware of in advance though no decisions need be made as yet.
- 12 Firstly, if NBBC's proposals were accepted then it is in all Council's interests to resolve issues quickly. However, NBBC have indicated that they will find it extremely difficult to agree to an extension to the consultation timescale. For any such request to be acceptable to NBBC it would have to be very time-limited to the extent that there would probably still be insufficient time to reach agreement on a new MOU. If agreement cannot be reached on a new MOU before closure of the consultation period, NBBC will find itself having to submit its Local Plan without a revised MOU. In these circumstances the Councils would need to seek to agree a common statement regarding the sub regional housing and employment requirements. In this scenario there would be an opportunity to try to resolve any outstanding issues and, hopefully, submit a revised statement to the Inspector once they have been resolved.
- 13 Secondly, it may be that the conclusion of the testing process is that NBBC's proposals and justifications are not accepted by the other Councils, for robust evidenced based planning reasons, in which case NBBC runs a significant risk of failing its DTC requirements and thereby not even reaching the main part of an Examination in Public. NBBC therefore would need to review its position if this scenario arose, and perhaps allow more time to resolve the situation.

## **Recommendations**

- i. That the process and timetable set out in paragraphs 8 and 9 above be supported as the way forward to address the implications of NBBC's draft Borough Plan.
- ii. That the next meeting of the Joint Committee on 8th March 2017 consider a report on the outcome of the process set out in this report.
- iii. That the potential scenarios in paragraphs 12 and 13 of this report be noted.