

Cabinet  
Council

3<sup>rd</sup> March 2015  
17<sup>th</sup> March 2015

**Name of Cabinet Member:**

Cabinet Member for Business, Enterprise and Employment – Councillor K Maton

**Director Approving Submission of the report:**

Executive Director of Place

**Ward(s) affected:**

All Wards could be affected indirectly due to the on-going development of the Local Plan.

**Title:**

The Process for Addressing the Housing Needs of Coventry and Warwickshire.

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**Is this a key decision?**

Yes

The proposals within the report could have a significant impact on residents or businesses in two or more electoral wards.

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**Executive Summary:**

At its meeting on 21 November 2014, the Coventry and Warwickshire Joint Committee for Economic Growth unanimously endorsed a report on the Coventry and Warwickshire Housing Market Area (HMA), which detailed an approach to meeting housing needs. The report also set out a transparent process and timeline for appropriately planning and delivering the housing needs in full.

The report, attached at Appendix 1, clarifies the objectively assessed need for housing in the Coventry and Warwickshire HMA at 80,080 homes between 2011 and 2031 (4,004 per annum). In this context, Coventry's housing needs would equate to 36,220 homes (1,811 per annum). There is a clear acknowledgement that Coventry would be unable to meet this level of housing need and, as a result, the report endorses a phased redistribution of housing need across the Housing Market Area.

The first phase of this redistribution builds upon the Coventry and Warwickshire Joint Strategic Housing Market Assessment (Nov 2013) (SHMA). The second phase manages a remaining shortfall of unplanned housing need evidenced primarily by the most recent government population projections.

As a result, the city's housing target would reduce to around 23,600 (1,180 a year), although this will need to be considered in the context of land availability and sustainable development. In summary, the councils draft assessment of capacity within Coventry (the draft Strategic Housing Land Availability Assessment for Coventry (September 2014) (SHLAA)) currently identifies land for housing of up to 23,300 dwellings, which includes land currently within the Green Belt. The remaining 12,620 homes are then redistributed to Warwickshire through the phased approach.

Some of the housing need redistributed in phase 1 has already been planned for in Stratford and Warwick as these plans are more advanced. North Warwickshire's plan has not had regard to the redistribution approach at this stage as the new population projections placed an upward pressure on its own level of need. Opportunities may still exist to work alongside the local authority areas of Nuneaton and Bedworth and Rugby to explore how this initial redistribution could best be planned. Such opportunities will be explored through the Duty to Cooperate with consideration given to stakeholder engagement, the Joint Green Belt review, infrastructure issues and opportunities, landscape characteristics, land availability, employment opportunities and economic growth proposals.

The process and timeline provides a transparent basis for joint working across the Coventry and Warwickshire Housing Market Area for the coming years. It seeks to adopt Local Plans across each authority by the end of 2016 ensuring a range of housing and economic growth opportunities are identified in the process. It then moves on to consider longer term options for a coordinated review of plans, which could include a joint plan for Coventry and Warwickshire.

In view of the significance of this matter, it was accepted that all the constituent authorities should be asked to formally commit to the process as agreed by the Joint Committee.

### **Recommendations:**

The Cabinet is requested to:

- 1) Recommend that the Council endorses the Joint Committee paper attached at Appendix 1

The Council is recommended to:

- 1) Endorse the Joint Committee paper attached at Appendix 1;

### **List of Appendices included:**

- 1 Appendix 1 – Report to the Coventry and Warwickshire Economic Prosperity Board (EPB) - 21<sup>st</sup> November 2014. **Please note that this was incorrectly titled and should have been addressed to either the Shadow EPB or the Joint Committee for Economic Growth and Prosperity.**
- 2 Appendix 2 – Graphical overview of housing need redistribution across Coventry and Warwickshire.
- 3 Appendix 3 – Timetable for endorsement of the Joint Committee Report by the Warwickshire authorities.

**Background papers:**

None

**Other useful documents:**

- Minutes of the meeting that considered the report included at Appendix 1 are now available via the following web link:  
[http://www.rugby.gov.uk/downloads/file/6855/coventry\\_and\\_warwickshire\\_joint\\_committee\\_for\\_economic\\_growth\\_and\\_prosperity-minutes\\_21112014](http://www.rugby.gov.uk/downloads/file/6855/coventry_and_warwickshire_joint_committee_for_economic_growth_and_prosperity-minutes_21112014)
- The Cabinet report for the draft Local Plan – Delivering Sustainable Growth can be found via the following link:  
<http://democraticservices.coventry.gov.uk/ieListDocuments.aspx?CId=130&MId=10255&Ver=4>
- The Joint Strategic Housing Market Assessment (2013) (SHMA) and its supporting Annex (2014) are available here:  
[http://www.coventry.gov.uk/downloads/download/3034/independent\\_housing\\_numbers\\_study](http://www.coventry.gov.uk/downloads/download/3034/independent_housing_numbers_study)
- The draft Coventry Strategic Housing Land Availability Assessment (September 2014) (SHLAA) is available here:  
[http://www.coventry.gov.uk/downloads/file/14712/draft\\_shlaa](http://www.coventry.gov.uk/downloads/file/14712/draft_shlaa)

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

Yes – 17<sup>th</sup> March 2015

**Report title:** The Process for Addressing the Housing Needs of Coventry and Warwickshire

**1. Context (or background)**

- 1.1 Appendix 1 is a copy of the report considered and unanimously endorsed by the Coventry and Warwickshire and South West Leicestershire Joint Committee for Economic Growth and Prosperity (The Joint Committee) at its meeting held on 21 November 2014. Although the Joint Committee includes the Local Authority area of Hinckley and Bosworth, the report only relates to the 6 authorities within Coventry and Warwickshire, which make up the Housing Market Area (HMA). The report responded to earlier concerns in relation to meeting the housing needs of the Coventry and Warwickshire Housing Market Area. As such, the report sets out a transparent process and timeline, which seeks to deliver and appropriately plan for these housing needs in full.
- 1.2 In view of the significance of this matter, it was accepted that all the constituent authorities should be asked to formally commit to the process as agreed by the Joint Committee. This is clearly set out in Paragraph 3.5 and recommendation 5 of Appendix 1. In essence the report seeks to cover 2 specific aspects.
- a. Firstly, it considers the housing needs of the Coventry and Warwickshire HMA and how these needs will be planned for and delivered at a local authority level. This allocates a housing requirement to each authority as a starting point (dependant on further capacity work) as well as identifying a shortfall of housing provision that would still need to be planned for;
- b. Secondly, it establishes a timeframe to support the delivery of both the authority figures and the shortfall, focusing on opportunities for a longer term review of Local Plans, potentially through a joint plan for Coventry and Warwickshire.
- 1.3 The recommendations unanimously agreed by the Joint Committee were slightly modified to ensure clarification and are set out as follows:
- **Recommendation 1:** Reaffirm 4,004 dwellings per annum as the Objectively Assessed Need (OAN) for the Coventry and Warwickshire HMA.
  - **Recommendation 2:** In recognition that Coventry City will not be able to accommodate the housing levels indicated in the Joint Strategic Housing Market Assessment (SHMA) Annex, agree the distribution endorsed by the Board on 10 October to accommodate some of the City's housing need, subject to a robust capacity study being undertaken.
  - **Recommendation 3:** Where, via such a study, any of the Warwickshire Districts can demonstrate that its capacity cannot meet its figure endorsed by the Board on 10 October 2014, the further shortfall will be added to sub regional additional housing need element.
  - **Recommendation 4:** agree the process and timeline set out in the Table 2 to ensure delivery of the HMA's full housing need and that the process is commenced prior to the end of November 2014 as set out in the timeline.
  - **Recommendation 5:** agree that each of the six Local Planning Authorities within the HMA seek to formally sign off the recommendations of this report by February 2015.
- 1.4 With regards Recommendation 1 of the Joint Committee report, this seeks to clarify the minimum Objectively Assessed Need for housing in the Coventry and Warwickshire Housing Market Area. As such, this identifies a need of 80,080 homes between 2011 and 2031 (4,004 per annum). Although at local authority level the Joint SHMA Annex

acknowledges that these figures are indicative, they still offer an initial assessment of housing needs as they are derived from the most recent government population projections. In this context, Coventry's housing needs would equate to 36,220 homes between 2011 and 2031. This has previously been discussed in the Council's draft Local Plan that was consulted upon at the end of last year.

- 1.5 Recommendation 2 builds upon recommendation 1 and is of greatest importance to this report as it provides a clear acknowledgement that Coventry is unable to meet its housing needs identified in the Joint SHMA Annex (namely 36,220 homes between 2011 and 2031). As a result, recommendation 2 of Appendix 1 endorses a phased redistribution of housing need across the Housing Market Area.
- 1.6 The first phase of this redistribution builds upon Coventry and Warwickshire's Joint SHMA (Nov 2013). This study considered housing needs across the 6 authorities and made recommendations of need based initially on demographic projections amended to reflect uncertainties in the government's population projections, most notably around migration flows between the 6 authorities. It does however also have regard to commuting flows, affordability of housing and employment opportunities. In proposing an initial redistribution the report at Appendix 1 recommends that the 6 authorities continue to plan for the housing needs identified in the Joint SHMA (2013).
- 1.7 The slight uplift in housing need for Coventry and Warwickshire, brought about the consideration of new population projections (2012 based) in the Joint SHMA Annex (2014), as such remains a shortfall of unplanned housing need. The Joint Committee report considers this 'shortfall' and sets out a transparent process to plan for these additional homes. This process seeks to consider this shortfall through additional evidence and ensure it is delivered in the most sustainable way.
- 1.8 This process means the city's housing target would reduce to around 23,600 (1,180 a year), although this will need to be considered in the context of land availability and sustainable development. Placed in perspective, the Council's draft assessment of capacity within Coventry (the draft Strategic Housing Land Availability Assessment for Coventry (September 2014) (SHLAA)) is very close to identifying sufficient land supply to meet this lower figure, which includes looking at land currently within the Green Belt. The remaining 12,620 homes are then redistributed to Warwickshire. These 12,620 homes would, as highlighted above however be managed over 2 phases. The first phase would see up to 7,940 homes planned for now through Local Plan reviews and preparation by the Warwickshire authorities, although the exact figure will need to be considered alongside additional evidence around land capacity. The second phase would manage the remaining shortfall of at least 4,680 homes. The plan at Appendix 2 is provided to help show how this could be considered in a geographical context.
- 1.9 The housing need redistributed as part of phase 1 to the Local Authority areas of Stratford and Warwick have already been planned for as these plans are already being considered through the examination process. North Warwickshire's Local Plan has recently been adopted, but has not had regard to the redistribution approach at this stage as the new population projections have placed an upward pressure on its own level of need. As such, there is no planned redistribution to this area as part of the phase 1 approach proposed by the Joint Committee report. Opportunities may still exist to work alongside the local authority areas of Nuneaton and Bedworth and Rugby to explore how this initial redistribution could best be planned. This could result in the delivery of new homes adjacent to the city boundary but within these respective authority areas. Similarly, such opportunities may exist in relation to the shortfall within any of the city's neighbouring authorities. Such opportunities will be explored through the Duty to Cooperate with consideration given to stakeholder engagement, Green Belt evidence, infrastructure

issues and opportunities, landscape characteristics, land availability, employment opportunities and economic growth proposals.

- 1.10 In respect of Recommendation 3, this is an acknowledgement of the need to finalise the capacity studies across the HMA as a whole. It also provides a fall-back position should such studies raise issues of deliverability or sustainability.
- 1.11 Recommendation 4 refers to the process and timeline set out in Section 4 of the report at Appendix 1. In its simplest terms the timetable provides a transparent basis for joint working across the Coventry and Warwickshire Housing Market Area for the coming years. It seeks to adopt Local Plans across each authority by the end of 2016 ensuring a range of housing and economic growth opportunities are identified in the process. The timeline ensures that these plans will be founded on a solid, consistent and robust evidence base and that the Duty to Cooperate has been discharged. It then tables longer term opportunities to review these plans in a coordinated way and potentially as part of a single plan for Coventry and Warwickshire.
- 1.12 The work outlined at the start of this timeline is already underway and includes:
  - A re-established joint monitoring group to assess, amongst other issues, housing delivery and economic growth;
  - The development of a consistent methodology to undertake Strategic Housing Land Availability Assessments (SHLAA); and
  - The commissioning of a Joint Green Belt review for Coventry and Warwickshire.
- 1.13 The outcome of this work will help to inform decisions about the capacity for development in each local authority area. This will then be considered alongside other aspects, such as the distribution of employment growth and commuting/migration patterns, to ensure the most appropriate and sustainable approach to housing and economic development across Coventry and Warwickshire. Further to this timetable, opportunities are already being considered alongside the Local Enterprise Partnership to support this.
- 1.14 Recommendation 5 asks the individual authorities within Coventry and Warwickshire to formally endorse the paper set out in Appendix 1.

## **2. Options considered and recommended proposal**

- 2.1 There are only 2 realistic options considered available in relation to this report.
- 2.2 The first is to refuse to endorse the recommendations of the Joint Committee report (at Appendix 1). This option would cause significant issues in relation to the Duty to Cooperate and mean an alternative approach would need to be investigated for meeting the housing needs of Coventry and Warwickshire. Under such circumstances the development of Coventry's Local Plan would be significantly delayed. This raises further risk of unplanned developments within the city boundary and would delay the delivery of new homes to meet the city's housing needs in the most sustainable way. It would also introduce notable risks around the Council's ability to discharge its Duty to Cooperate responsibilities with its Warwickshire neighbours in relation to other strategic issues. This option is not recommended.
- 2.3 The second option is recommended through this report and would see the Joint Committee paper endorsed by the city council. This provides a solid and transparent platform from which to plan for new homes across Coventry and Warwickshire in the coming years. Endorsement of the paper at appendix 1 and the commitment to the process outlined by the Joint Committee will help enable the Council to fulfil its obligations

in relation to the Duty to Co-operate and to meet the housing requirements of the housing market area, as required by national planning policy.

### **3. Results of consultation undertaken**

- 3.1 The report at Appendix 1 has been developed with regard to the Coventry and Warwickshire Joint SHMA and its supporting Annex. Both of these documents have been publicly available on the Councils website for some time and are the same documents that formed a key part of the public engagement that related to the recent draft Local Plan – Delivering Sustainable Growth. The draft plan was issued for a period of public engagement initially between 12<sup>th</sup> September and 31<sup>st</sup> October 2014, although this was subsequently extended on an informal basis to 24<sup>th</sup> December 2014.
- 3.2 The draft Local Plan contained references to the housing needs of Coventry and Warwickshire, set within the context of the Housing Market Area. As such, it identified a housing need for Coventry of up to 36,220 homes between 2011 and 2031.
- 3.3 The results of this public engagement will be presented to Council in full, but under a separate report in due course. In summary however in excess of 500 responses were received to the public engagement. The majority of these responses were in objection to the planned growth of Coventry and the development of Green Belt land, with particular focus on area specific concerns. Other responses however expressed support for the Council's proposals for growing the city and in some cases considered the identified level of housing need to be too low. An initial summary of responses was presented to Scrutiny Board 3 at its meeting of 12<sup>th</sup> November 2014.
- 3.4 All responses received during the period referred to at paragraph 3.1 above will be considered in their entirety when developing the next stage of the Plan. The next stage of the Local Plan is expected to be published for a period of public engagement in summer 2015. At this time stakeholders will have an opportunity to make representations to the Local Plan before it is submitted to the Secretary of State for public examination.

### **4. Timetable for implementing this decision**

- 4.1 Subject to approval by Cabinet and Council, this report and timetable will provide a firm basis from which to continue the development of Local Plans in Coventry and Warwickshire. On this basis, the Coventry City Council would hope to have an adopted Local Plan by spring 2016.

### **5. Comments from Executive Director of Resources**

#### **5.1 Financial implications**

The Council, as land owner, is expected to benefit financially from the level of housing development identified in this report.

The benefits will primarily be realised through the disposal and redevelopment of brownfield land within the existing urban area. It is expected that this land would have been developed over time however, regardless of the scale of housing need. The Council holds very little additional land within its own Green Belt that would generate financial benefits, however it does own Green Belt land outside of the City boundary which could be subject to development, but is dependent upon the respective local planning authority. Any future disposal would be reported formally to members as appropriate.

There would be further financial benefit to the Council through the increase in the council tax base generated as a result of the growth identified in this report. Whilst such growth will place pressure on key services and longer term maintenance programmes, it will allow the Council a degree of financial flexibility to spread the cost over a larger number of properties.

It should also be noted that any housing development will require planning permission which will attract a s106 and/or CIL contribution from developers, which would be required to offset the additional pressures placed on the Council through development.

## 5.2 Legal implications

Section 33A of the Planning and Compulsory Purchase Act 2004 (as introduced by the Localism Act 2011), associated regulations, the National Planning Practice Guidance (2014) and paragraphs 178-181 of the National Planning Policy Framework (2012) set out the requirements in relation to the Duty to Cooperate. In order to progress a sound Local Plan Coventry must discharge its responsibilities with regards this 'duty', which relates to strategic aspects of planning, of which housing delivery is included.

It is considered that the work undertaken across Coventry and Warwickshire to date, and the proposals made in appendix 1 represent clear evidence of continued efforts of all represented authorities to discharge this 'duty', especially in relation to housing provision.

The Council's responsibilities under the Duty to Cooperate do not end here however. The Council will need to continue active, constructive and on-going cooperation with its neighbouring authorities and key stakeholders in order to meet as much of its identified housing needs as is considered sustainable and appropriate. In doing so, this will require appropriate planning of infrastructure requirements to support growth. It will also need to continue joint working in relation to the Green Belt to ensure all reasonable options for development have been considered.

## 6. Other implications

### 6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

- A prosperous Coventry: The delivery of new homes within and around Coventry will help to support the growth of the city's economy and attract investment to the sub-region
- Citizens living longer, healthier, independent lives: Striking a balance between providing new homes and jobs as well as protecting the most sensitive and highest value green spaces will help to make Coventry a healthier city, encouraging better quality homes and built environment. It will also make provisions for more accessible and useable green spaces of higher quality.
- Making Coventry an attractive and enjoyable place to be: Striking a balance between providing new homes and jobs as well as protecting the most sensitive and highest value green spaces will help to make Coventry an attractive and enjoyable place to be.
- Providing a good choice of housing: A step change in the city's housing delivery will help to ensure that sufficient new homes are provided to meet the needs of local people



- Making places and services easily accessible: New housing will be planned alongside new infrastructure meaning new homes will be well integrated into existing communities. This will help to ensure improved accessibility to key services and facilities.
- Encouraging a creative, active and vibrant city: Investment in new housing will support investment in new jobs and economic growth. In turn this will help support improvements to the city centre through a holistic planning process. A step change in the city's housing delivery, supported by the city centre first policy, will help to establish the centre as the hub for new retail, leisure and community investment. New development will also help to ensure that new and existing services are viable and accessible.
- Developing a more equal city with cohesive communities and neighbourhoods: The delivery of this number of homes within the city will represent a step change in housing delivery for Coventry. This will help to ensure that more people will be adequately housed, with greater access to new jobs, leisure provisions and community facilities.
- Improving the environment and tackling climate change: The work undertaken to examine housing needs across Coventry and Warwickshire thus far has given consideration to protecting the most sensitive and highest value green spaces. Delivering new homes across Coventry will, in practical terms, bring about improvements to areas in need of investment, and will protect the most valuable and sensitive areas of green space from inappropriate development.

## **6.2 How is risk being managed?**

When considering work under the Duty to Cooperate there is always a degree of risk

The preparation of this paper and engagement with the Joint Committee has sought to limit the risk associated with both the paper (at Appendix 1) and the approach that it sets out to housing delivery and plan making across Coventry and Warwickshire.

The main risk associated with this stage of the Duty to Cooperate process is that one of the relevant authorities fails to endorse the Joint Committee paper. This could have impacts on the future of housing delivery across Coventry and Warwickshire. Based on the unanimous approval at Joint Committee and having regard to on-going cooperation across the 6 authorities this would seem unlikely. Indeed, Appendix 3 sets out the timetable for when each authority is scheduled to consider the Joint Committee report. Should this situation arise however it will be reported back to Council.

Members should also be aware that further risk remains in relation to the overall level of housing need being discussed for Coventry and Warwickshire as a whole. Further to recent representations at Local Plan examinations in South Worcestershire, Birmingham and Stratford, there may be a need to undertake some additional work that explicitly aligns housing need more closely with economic growth forecasts and the aspirations of the Coventry and Warwickshire Strategic Economic Plan (SEP). The results of this work could place an upward pressure on housing need. All relevant authorities are continuing to work alongside the Local Enterprise Partnership (LEP) to mitigate this risk.

## **6.3 What is the impact on the organisation?**

No direct impact.

#### **6.4 Equalities / EIA**

An equalities and consultation analysis is not considered necessary for this paper. Appropriate work and engagement will be undertaken however as part of the next stage of the Local Plan.

Notwithstanding, the level of housing to be delivered in and around Coventry is expected to generate significant economic and social benefits to the city. This will be promoted by urban regeneration and the redevelopment of land currently sitting vacant and derelict. The delivery of new homes will also support additional opportunities for job creation and the delivery of new infrastructure.

#### **6.5 Implications for (or impact on) the environment**

At this point, there are expected to be some environmental impacts brought about by the level of housing outlined in this report and the likely need to release land from the Green Belt to meet the development needs of the city. This has previously been outlined in the draft Local Plan that was considered by Council in September 2014. The development of the Local Plan to date has included a commitment to protecting the city's highest value and most sensitive green spaces. This commitment remains unchanged by this report.

#### **6.6 Implications for partner organisations?**

There are no implications for partner organisations that cannot be mitigated or managed through the supporting work that has already been undertaken and will be prepared by the Council as it moves towards the final version of its new Local Plan.

There will however be potential implications for the Council's neighbouring authorities as part of the Duty to Cooperate. The extent of these impacts will largely depend upon the outcome of new evidence associated with capacity, and any subsequent changes to the distribution of housing growth. This is however expected to be managed by the respective authorities as they prepare their own Local Plans. These impacts are however expected to be minimised through the on-going development of a shared and consistent evidence base and will be considered through an active, constructive and on-going process as part of the Duty to Cooperate.

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Member: Councillor K Maton	Cabinet Member for Business, Enterprise and Employment	Place	03/02/15	04/02/15

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