



Title	Revised Development Strategy	
For further information about this report please contact	David Barber Development Policy Manager	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	21 st May 2012	
Background Papers	Interpreting the Vision – Council 1/12/11 Local Plan Preferred Option – Council 21/5/12 Local Development Scheme (LDS) – Executive 9/1/13 Way forward for the Local Plan – executive 17/4/13	
Contrary to the policy framework:	No	
Contrary to the budgetary framework:	No	
Key Decision?	Yes	
Included within the Forward Plan? (If yes include reference number)	Yes (Ref 506)	
Equality & Sustainability Impact Assessment Undertaken	No	
The Equality & Sustainability Impact Assessment will be undertaken as part of the Local Plan itself. It is not considered that this report, which sets out the way forward for the next stages of the Plan will have a significant impact in itself.		
Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Chris Elliott
Head of Service		Tracy Darke
CMT		
Section 151 Officer		Mike Snow
Monitoring Officer		Andy Jones
Finance		
Portfolio Holder(s)		Cllr Les Caborn
Consultation & Community Engagement		
This report has not yet been subject to wider community engagement or consultation. It will form the basis of public consultation to be undertaken during June and July 2013, although it does set out the framework for further consultation in relation to the preparation of the Local Plan.		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 This report sets out proposals for a Revised Development Strategy for the new Warwick District Local Plan and recommends that these are agreed for consultation. It also recommends that options for Gypsy and Traveller Sites are agreed for consultation. Finally it sets out proposal for a Preliminary Draft Charging Schedule for the Community Infrastructure Levy and seeks agreement for this also to form the basis of a public consultation.

2. RECOMMENDATION

- 2.1 That Council agrees and recommends to the Executive that the Revised Development Strategy (RDS) set out in Appendix 1 is approved for public consultation.
- 2.2 That Council agrees and recommends to Executive that the policies and site options for Gypsies and Travellers as set out in Appendix 2 are approved for public consultation
- 2.3 That Council agrees and recommends to Executive that the Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule set out in Appendix 3 is approved for public consultation.
- 2.4 That Council agrees and recommends to Executive that the Local Development Scheme be revised as set out in paragraph 3.9
- 2.5 That the Executive agrees to allocate a further £25,000 for the preparation of the Local Plan from the Planning Appeals Reserves to support the additional public consultation work associated with this report.

3. REASONS FOR THE RECOMMENDATION

- 3.1 **Recommendation 2.1:** At its meeting on 17th April 2013, the Executive agreed a way forward for the Local Plan to take account of the need to participate in a Joint Strategic Housing Market Assessment with other authorities within the local Housing Market Area. This proposed a change to the Local Plan preparation process to allow consideration of a revised development strategy by the Council in early June followed by a 6 week period of public consultation.
- 3.2 Proposals for the Revised Development Strategy have now been prepared and are set out at **Appendix One**. They take account of the representations made through the consultation undertaken in 2012 and also to take account of updates to the evidence base. . The Report of the Public Consultation 2012 is set out at **Appendix 4**. The updated evidence includes the following studies:
- **Review of the level of growth required:** prepared by GL Hearn November 2012
 - **Employment Land Review:** prepared by GL Hearn, May 2013
 - **Sub-regional Employment studies:** Independent studies undertaken by GL Hearn to provide information to help assess and determine the proposed Coventry and Warwickshire Gateway planning application
 - **Strategic Transport Assessments:** Two further studies prepared by Warwickshire County Council - phase 2 published February 2013; phase 3 published in May 2013.

- **Considerations for Sustainable Landscape Planning:** Prepared by RMA, November 2012
- **Gypsy & Traveller Accommodation Assessment:** Prepared by University of Salford, November 2012
- **Updated Strategic Flood Risk Assessment:** Prepared by Mouchel, May 2013
- **Community Infrastructure Viability Assessment:** Prepared by CIL Knowledge, May 2013

- 3.3 Since January officers have worked to ensure that the RDS proposals, and in particular the level of proposed growth and site allocations, continue to be consistent with the strategic direction set by Council in its strategy statement, 'The future and sustainable prosperity for Warwick district', agreed by full Council on 1st December 2011. This statement set out the basis on which the Council wished the Local Plan to be developed and included a strong recognition that the Plan needed to be evidence based. The RDS set out in Appendix 1 therefore demonstrates a soundly based proposal to deliver the Council's desired approach set out in that statement, whilst also taking account of the National Planning Policy Framework (NPPF), updated evidence and the consultation carried out in 2012. The full justification for the RDS is set out in Appendix 1.
- 3.4 **Recommendation 2.2:** At its meeting on 17th April 2013, the Executive also agreed that proposals for consultation on options for sites for Gypsies and Travellers should be brought forward. **Appendix 2** sets out some options for Gypsy and Traveller sites.
- 3.5 In November 2012, the Council published a Gypsy and Traveller Accommodation Assessment (GTAA). This identified the need for 31 permanent pitches to be provided in the District over the next 15 years and identified that sites for 25 of these pitches needed to be identified with 5 years. In this context that Council has been working proactively to identify possible sites and areas of search to provide for these pitches. This has involved:
- Work to identify suitable land in public ownership that could be used – in particular working closely with Warwickshire County Council
 - A "call for sites" to private landowners asking if they have land that they wishes to make available for a gypsy and traveller site
 - Identification of areas and/or sites within the District that would be suitable and would meet the site criteria set out within the 2012 Preferred Options. This has been followed by attempts to contact the landowners of these areas with a view to seeking their support. Not all of the landowners involved have yet expressed an interest.
- 3.6 The options consultation for Gypsy and Traveller sites is at a different stage to the RDS in that we are not suggesting a preference for any of the sites and are seeking views on all the options to enable specific proposals to subsequently be brought forward. So, although the consultation on the Gypsy and Travellers sites is being undertaken in parallel with the RDS, it does not actually form part of the RDS. Once firm proposals have been drawn up for Gypsy and Traveller sites, a separate Site Allocation Development Plan will be prepared and will be the subject of a further round of consultation
- 3.7 **Recommendation 2.3:** At its meeting on 17th April 2013, the Executive agreed the proposals for a CIL Preliminary Draft Charging Schedule (PDCS) for consultation should be brought forward for Council to consider. These proposals are set out in **Appendix 3**. The PDCS has taken account of the 2013 Viability

Assessment. This has enabled the proposed charging levels to be set in a way which strikes a balance between ensuring development remains viable and ensuring that funding towards infrastructure to support that development is not compromised.

3.8 **Recommendation 2.4:** The most up to date Local Development Scheme (LDS) was agreed by Executive on 9th January 2013. It is recommended that this LDS is amended to reflect

- a) The revocation of the Regional Spatial Strategy in May 2013
- b) The comments of the Inspector of Coventry's Core Strategy in relation to the Duty to Cooperate and the need to take part in a Joint Strategic Housing Market Assessment.

3.9 It is therefore proposed that Appendix 1 and 2 of the LDS should be amended as follows:

REVISED LDS. APPENDIX 1:

N o.	Document Title	Status	Role and contents	Geo-graphical coverage	Chain Of Conformity	Dates for pre-submission consultation	Dates of further public participation	Date For Submission to Secretary of State	Proposed date for adoption
1	Local Plan	Development Plan document	Sets out vision, strategic objectives and policies to deliver development.	District-wide	General conformity with NPPF. All other LDD's will be in conformity with Local Plan.	Oct 2010 June/July 2012	June/July 2013	March 2014	Autumn 2014
2	Warwick Town Centre Area Action Plan	Development Plan document	Sets out the planning framework for Warwick Town Centre.	Warwick Town Centre	Conformity with Local Plan	August 2009 – Winter 2011	October 2012	June 2014	January 2015
3	Leamington Town Centre Area Action Plan	Development Plan document	Sets out the planning framework for Leamington Town Centre.	Leamington Town Centre	Conformity with Local Plan	Winter 2013 – Winter 2014	January 2015	January 2016	July 2016
4	Proposals Map	Development Plan document	Presents allocations and designations in other DPDs.	District-wide	N/A	The Proposals Map DPD will be maintained and updated when each relevant DPD is adopted.			
5	Community Infrastructure Levy Scheme	-	Sets out the charging schedule for the Community Infrastructure Levy	District-wide	Conformity with Local Plan	-	June 2013	March 2014	Autumn 2014
6	Gypsy and Traveller's Site Allocations	Development Plan document	Identifies sites to be made available for Gypsy and Traveller Accommodation	District-wide	Conformity with Local Plan	-	June 2013	June 2014	January 2015

REVISED LDS. APPENDIX 2:

Year	2011				2012				2013				2014				2015				2016			
Quarter	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Local Plan (Core Strategy)													P	S		A								
Warwick Town AAP													P	S		A								
Leamington Town AAP																		P				S		A
Proposals Map														A		A								A
Community Infrastructure Levy Scheme													P	S		A								
Gypsy and Traveller's Site Allocations													P	S		A								

Key

Quarters

1 = January – March
3 = July – September

2 = April – June
4 = October – December

DPD Pre-production work
DPD Production
DPD Post Publication



P = Publication
S = Submission
A = Adoption

- 3.11 The report agreed by Executive on 17th April 2013 included a sentence within paragraph 3.2 which stated, in relation to the decision of the Inspector for Coventry's Core Strategy "this new approach recognises that the housing requirement across the sub-region or housing market area must be understood and met and in this sense is akin to requiring the local authorities to agree". It is important to clarify this statement as it could be seen to be misleading in relation to what the Duty to Cooperate (DTC) actually requires. There is rightly strong pressure that the DTC should be used to take all reasonable steps to agree a joint way forward and in this context it will be necessary for Warwick District Council to participate in the DTC process constructively and on an on-going basis to do what we can to reach an agreement. However, the Duty does not require agreement and in circumstances where intractable issues arise, it is possible to fulfil the Duty without reaching an agreement.
- 3.12 **Recommendation 2.5:** The report Executive on 17th April suggested that the additional period of consultation associated with the RDS would cost in the region of £5-7,000. This covers the cost of preparing and distributing publicity material. However, it did not cover the cost of inputting and analysing the consultation responses as it was intended at the time that this would be done using in house resources.
- 3.13 It is now proposed to procure external support for inputting and analysing the new consultation responses. It is not possible at this stage to be precise about how much this work will cost because those costs will depend on the number and complexity of responses received. However, assuming the number of responses is

similar to that received in 2012, the total cost of inputting and analysis could be as high as £45-50,000 if fully outsourced

- 3.14 Instead, this report recommends that £25,000 is allocated towards the potential costs, from the Planning Appeals Reserve, as an element of the work will still be done in house. This proposal will allow the Planning Policy Team to progress as quickly as possible towards a Submission Draft Local Plan, without having divert all their resources to the consultation inputting but will still ensure that the team are fully in control of the process and analysis. In particular, it will enable the team to:
- Assimilate the outcomes of the Joint SHMA and plan for any changes that may need to be made as a result of this
 - Complete work on preparing the Local Plan policy framework – including Development Management Policies
 - Complete work on preparing the Infrastructure Delivery Plan, including planning for the phasing and timing on infrastructure delivery and exploring levers which could support the earlier delivery of infrastructure
 - Progress and complete work on a Community Infrastructure Levy Scheme – including exploring alternative sources of funding, the funding gap, infrastructure costs and the process for collecting and distributing CIL monies
 - Undertake a consultation on development site options for village
 - Progress towards a Gypsy and Travellers Site Allocations Development Plan

4. **POLICY FRAMEWORK**

- 4.1 **Policy Framework** – the Local Plan is a key element within the Council’s policy framework. The proposals set out in the appendices of this report will help to shape the Submission Draft Local Plan which in turn will have an overarching impact on the future of Warwick District. The proposals are consistent with the Local Plan policy framework agreed by Council on 1st December 2011
- 4.2 **Fit for the Future** – these proposals have been designed to ensure the Local Plan supports the delivery of the Sustainable Community Strategy (SCS). The Local Plan will be developed in parallel the development of the SCS Delivery Plans. The delivery of the Local Plan also remains a key element in Fit for the Future.

5. **BUDGETARY FRAMEWORK**

- 5.1 The Planning Appeals Reserve currently has a balance of £397,000 which would reduce to £372,000 if recommendation 2.5 is approved. It is considered that this is still a sufficient balance to comfortably cover the costs associated with potential planning appeals.
- 5.2 The proposals set out in the Revised Development Strategy (Appendix 1), combined with the Preliminary Draft Charging Schedule (Appendix 3) for the Community Infrastructure Levy will result in substantial CIL monies being levied – estimated to be approximately £55 million. It should be noted however that this source of funding, whilst being sufficient to cover a significant part infrastructure costs associated with new development, cannot be used for any other purpose. It should also be noted, as set out in the Preliminary Draft Charging Schedule, that CI monies can only be levied if there is a funding gap that cannot be met from other sources (such as the Council’s capital budgets).

- 5.3 The Local Plan proposals are also likely to have a wider impact on the Council's finances, although these impacts have not been considered during the preparing of the proposed RDS as they cannot be taken into account in considering the soundness of the Plan, although they are noted for information below. The precise level of impact is very difficult to assess as, aside from the additional CIL revenues (discussed in paragraph 5.2 above), the Local Plan is likely to impact upon the following:
- 5.4 New Homes Bonus (NHB) – under the current scheme, the Council will be financially rewarded for each additional dwelling built. The income this would generate will be dependent upon the timing of each dwelling's completion and its council tax banding assessment. However, there is considerable uncertainty as to the long term future of the NHB scheme and whether any continuance would be funded by further reductions in each local authority's Revenue Support Grant allocation.
- 5.5 Business Rates Retention (BRR) – under the scheme in place from 1 April 2013, the Council will benefit from 20% in any net increase (above inflation) in business rates. Whilst this is designed to be a further incentive for growth again any additional income from this source will be partly dependent upon the timing of any development. The BRR scheme is due to have a "Re-set" in 2020, the basis of which is yet to be determined. It is possible that this will represent a "re-balancing" such that those areas that have benefitted from growth will see some of this redistributed to subsidise those areas that have not benefitted from growth.
- 5.6 Council Tax – New properties will generate more additional council tax revenue. Under the current Revenue Support Grant (RSG) calculations, increased council tax revenue has resulted in decreased RSG. Accordingly, it would be imprudent to assume that the Council will directly benefit from increased council tax revenues in the long term.
- 5.7 Service costs and income – with increased growth, there will undoubtedly be increased demand for all of the Council's services but also increased income from fees and charges. Some of these increased costs will be reflected within future Revenue Support Grant settlements, as population is a key driver.
- 5.8 Given the uncertainties around each of these possible future impacts it is premature to attempt to assess the long term financial impact. In addition, the uncertainties around the actual timing of the delivery of future housing or business growth would undermine any the veracity of any attempt at detailed calculations. Accordingly it is not possible to at this stage to forecast the long term financial consequences from the proposed Local Plan. However, it remains clear that Government policy will continue to reward growth and that this will be reflected in the current local government financing regime.
- 5.9 The Council's Medium Term Financial Projections will continue to factor in items that may impact upon the Council's finances, when a suitable degree of certainty can be established. Whilst it is necessary for a prudent approach to be adhered to, different scenarios and risks will be considered alongside the projections.

6. **ALTERNATIVE OPTION(S) CONSIDERED**

- 6.1 **Recommendation 2.1:** Consultation was undertaken on alternative proposals in 2012 and further alternatives have also been considered through the Sustainability Appraisal.
- 6.2 **Recommendation 2.2:** The National Planning Framework for Gypsies and Travellers requires that we meet the objectively assessed accommodation needs of this sector of the community. We therefore have no alternative but to identify possible sites for consultation. At this stage, the sites set out in Appendix 2 cover a wide range of options and specific alternative proposals will be identified from these options following the consultation process.
- 6.3 **Recommendation 2.3:** The Council previously agreed to prepare a CIL Charging Schedule in May 2012.). A CIL Charging Schedule must be prepared in a way that does not undermine the viability of development. The viability study has therefore suggested a maximum level that CIL could be charged at for different location and different uses. It would be possible to increase the proposed charges but this option has been rejected because this might threaten viability should circumstances change. It would equally be possible to decrease charges but this option has also been rejected as it would mean potential infrastructure funding is not being delivered. It would also be possible to change the geographical boundaries proposed in Appendix 3 and through such changes it might be possible to increase the overall yield from CIL. However lessons from elsewhere suggest that making the scheme too complex makes it hard to administer. It is therefore proposed to keep the geographical boundaries relatively simple.
- 6.4 **Recommendation 2.4:** The report on the "Way Forward for the Local Plan", agreed by the Executive on 17th April 2013 changed the timetable for the Local Plan. This recommendation formally updated the Local Development Scheme to ensure it is in line with this revised timetable. There are therefore no alternative options.
- 6.5 **Recommendation 2.5:** As an alternative, it would be possible to undertake all the additional consultation work within existing resources. However, the lessons from the 2012 consultation suggest that when a high level of response is received this takes a considerable amount of time which could lead to a delay to progressing the plan to submission draft stage. This option has therefore been rejected.

APPENDICES

Appendix 1: Revised Development Strategy

Appendix 2: Options for the Provision of Sites for Gypsies and Travellers

Appendix 3: Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule

Appendix 4: Report on the outcomes of the Public Consultation 2012