

 Council 12th August 2015		Agenda Item No. 11
Title	The Local Plan – The Way Forward	
For further information about this report please contact	Dave Barber dave.barber@warwickdc.gov.uk 01926 456065	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	28 th January 2015 Minute number 65	
Background Papers	Inspector’s Letter to the District Council (June 2015); Member Briefing Note on Inspector’s Letter (June 2015); Letter to Greg Clark from Leader of the Council (June 2015); PAS Advice; Ministerial Letter to PINS (July 2015). Productivity Plan (July 2015).	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	No
Not relevant at this stage.	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	29/7/15	Chris Elliott/Bill Hunt/Andy Jones
Head of Service	29/7/15	Tracy Darke
CMT	29/7/15	Chris Elliott, Bill Hunt, Andy Jones
Section 151 Officer		Mike Snow
Monitoring Officer	29/7/15	Andy Jones
Finance	03/08/15	Mike Snow
Portfolio Holder(s)	30/7/15	CLlr Stephen Cross
Consultation & Community Engagement		
N/A		
Final Decision?	No	

1. Summary

- 1.1 This report updates Council on the latest position with regard to the Local Plan and sets out options for the way forward for the Plan.
- 1.2 The Local Plan Inspector wrote to the Council on 1st June 2015. His letter is shown in **Appendix 1**. This followed 5 days of initial hearings in May 2015, during which he considered Duty to Cooperate, overall housing requirements in the District and overall supply of housing. A briefing note prepared shortly after receiving the Inspector's letter is shown in **Appendix 2**.
- 1.3 Since then the Leader of the Council has written to the Secretary of State for Communities and Local Government asking that he considers intervening in the Local Plan examination due to the important implications that are likely to arise as a result of the Inspector's findings. The Secretary of State has responded via a recent meeting with the Deputy Leader of the Council and the Chief Executive at which he indicated that he does not intend to intervene at this stage but he suggested that the Council respond directly to the Inspector.
- 1.4 As a result of this, the Council now needs to decide how to respond to the Inspector. This report considers three options and recommends that the Council writes to the Inspector requesting that he agrees to suspend the Plan with the Examination recommencing in March 2016.
- 1.5 The report also seeks agreement from the Council to the timetable agreed with the Coventry and Warwickshire Joint Committee for Economic Growth and Prosperity (CWJCEGP) for resolving the issue of unmet housing need arising in Coventry.

2. Recommendations

- 2.1 That the Local Plan Inspector's Interim Findings as set out in **Appendix 1** are noted.
- 2.2 That the Council endorses the timetable for resolving the issue of unmet housing need arising in Coventry set out in the report approved by the Coventry and Warwickshire Joint Committee for Economic Growth and Prosperity on 6th July 2015 as shown in **Appendix 3**.
- 2.3 That Council agrees to write to the Local Plan Inspector to request that the Examination is suspended whilst the Inspector's concerns are addressed, in line with a timetable, to be agreed with the Inspector, as indicated in para 7.3.7.
- 2.4 That a contingency budget of £30,000 be allocated from the Planning Appeals Reserve to support the work required to achieve the timetable set out in para 7.3.7 and delegated authority is approved for the Head of Finance and Head of Development Services, in consultation with their

respective Portfolio Holders, to approve any minor extra funding from the same Reserve, if required to achieve the stated work.

3. **Reasons for the Recommendations**

3.1 **Recommendation 2.1:** The Inspector's findings followed detailed consideration of three key matters with regard to the Submitted Local Plan: Duty to Cooperate, overall housing requirements in the District and overall supply of housing. It should be noted that the hearings did not therefore consider all aspects of the Plan, including the allocation of specific sites.

3.2 His letter concludes "*I do not consider that a suspension of the examination is appropriate in this case, it would take too long, is likely to result in a plan substantially different from that submitted and in any event is unlikely to facilitate the adoption of a sound local plan in a timetable that is significantly shorter than the other options open to the Council*"

"Under the circumstances my advice to the Council is that there are realistically only two options. Firstly the Council could choose to receive my formal report. Given my findings, I will only be able recommend non-adoption of the Local Plan. Alternatively the Council may choose to withdraw the Plan under S22 of the Planning and Compulsory Purchase Act 2004 (as amended).

3.3 His conclusions have far reaching implications for the Council and indeed other local authorities in Coventry and Warwickshire. It is therefore important that his letter is formally noted as part of the process of considering how to proceed. The full letter is set out at Appendix 1.

3.4 **Recommendation 2.2:** At its meeting on the 6th July 2015 the Coventry and Warwickshire Joint Committee for Economic Growth and Prosperity (CWJCEGP) agreed a revised timetable for the Coventry and Warwickshire local authorities to address the unmet housing need arising in Coventry. The revised timetable was prepared in response to the Warwick Local Plan Inspector's interim findings, specifically his view that the issue of unmet need should not be addressed through Plan reviews but should be addressed through the current round of Plan-making across the sub-region. This conclusion totally undermined the process and timetable, for early Plan reviews, agreed by the CWJCEGP in November 2014 and endorsed by Warwick District Council in January 2015. It will almost certainly delay not only Warwick District's Local Plan but also all those currently being prepared by all the other Councils in the Coventry and Warwickshire sub region. This does not accord with the Government's aspirations to put local plans in place as soon as possible and would be an undesirable outcome.

3.5 The report agreed by the CWJCEGP on the 6th July 2015 is attached at Appendix 3. It sets out a timetable to:

- Clearly establish the scale of unmet need across the sub-region by:
 - Clarifying the overall scale of housing need across the Coventry and Warwickshire Housing Market Area
 - Clarifying the development capacity of each authority

- Agree the scale and distribution of the identified unmet through a formal Memorandum of Understanding.

In order to achieve this, the report sets out a governance framework to drive forward the work involved to ensure the tight timescales are met.

- 3.6 In officers' view the rapid progress that has been made with this initiative following the publication of the Inspector's letter indicates that there is a reasonable prospect of identifying Coventry's unmet housing need and reaching an agreement on where it ought to be met without causing undue delay to the Local Plan process. This could allay the inspector's first concern that a suspension would take too long and would be no quicker than withdrawing the Plan and starting again.
- 3.7 Officers' have also scoped the potential additional housing requirement that might be generated by unmet need in Coventry and which might have to be accommodated in Warwick, and considered whether additional land might be found without the need to revisit the sustainable development strategy. Their preliminary conclusions are that the demands of Coventry are not likely to be so great as to require such a substantial alteration of the Plan that withdrawal is necessary, especially if further work is carried out on an early review policy. That may overcome the Inspector's third remaining concern about the merits of a suspension.
- 3.8 Once the Memorandum of Understanding has been agreed by the CWJCEGP, each Council will need to consider and formally endorse its contents. However, in the meantime it is important that each Council formally commits to the process and timetable set out in the CWJCEGP report to provide confidence to external parties that an agreed process is available to address the issues affecting the whole sub-region.
- 3.9 **Recommendation 2.3:** Given that the Secretary of State has indicated he will not intervene but, instead, has suggested a direct response is made to the Inspector by the Council, it is important that the Council consider the options available to it as to how best to respond to the Inspector's concerns. Three options have been carefully assessed and these are set out in Section 7 below. All these options carry risks as well advantages. However, a balanced appraisal of the options suggests that writing to the Inspector to seek a suspension to the Examination (Option 2, as set out in paragraph 7.3) would offer the most appropriate way forward.
- 3.10 **Recommendation 2.4:** In the event that the Inspector agrees to a suspension of the examination, the timetable set out in para 7.3.7 is challenging but achievable. Whilst it is anticipated that the work can be achieved from within existing resources, it is the nature of this kind of work that unforeseen issues can arise. It is therefore proposed that a contingency budget of £30,000 is put in place to support the work that needs to be carried out during the period of suspension. This contingency budget will significantly reduce the risk that the timetable slips further as it will allow additional resources and expertise to be bought in if required. In the event that this money is not required it will be returned to the Planning

Appeals Reserve for other purposes. Potentially, this budget could be used for the following purposes:

- Paying for expertise required to provide specialist technical evidence (for example ecological assessment of sites; assessment of infrastructure requirements; legal advice on process and regulatory issues; or local analysis of demographic projection or employment forecasts.
- Paying for additional resources to support the Planning Policy Team during potential pinch-points in the work such as sites assessment work; preparation of modifications and the delivery and organisation of the consultation process.

However, it is worth stressing that this is a contingency budget and if unspent any remaining balance would be transferred back to the Planning Appeals Reserve.

- 3.11 Equally, whilst officers consider that a contingency of £30,000 is sufficient, this could prove not to be the case. To ensure that the challenging timetable is not compromised it is recommended that a delegation is put in place to draw-down minor extra funding (up to an additional £20,000) to undertake the necessary tasks.

4. **Policy Framework**

- 4.1 **Submitted Local Plan** – The report seeks to ensure the successful progression of the submitted Local Plan through examination to adoption.
- 4.2 **Fit for the Future** – The Local Plan will need to align with and help deliver the Sustainable Community Strategy (SCS) and the Council's Fit for the Future programme where appropriate. It will also need to align with our partners documents, such as the Warwickshire Local Transport Plan.
- 4.3 **Impact Assessments** – During the preparation of the Local Plan an Equalities Impact Assessment has been undertaken. This looked at a wide range of potential impacts and concluded that three areas needed to be focussed on in addressing potential negative impacts: consultation; housing mix/affordable housing and Gypsies and Travellers. The preparation of the Plan has addressed these three issues, with further extensive consultations in line with the Statement of Community Involvement; a clear and strong approach to affordable housing (see policy H2) and housing mix (see Policies H4, H5 and H6); and ongoing work to identify suitable site for provide for the accommodation needs of Gypsies and Travellers (see policies H7 and H8).

5. **Budgetary Framework**

- 5.1 At its meeting on 28th January 2015, the Executive approved a budget of £120,000 to be set aside from the Planning Appeals Reserves to support the Local Plan Examination. In the main this budget was to support the costs of the Inspector and the Programme Officer. In the event that the Inspector agrees to the suspension of the examination, this budget will still

be required to support the completion of the examination. However, as set out in recommendation 2.4 above, there may be some additional costs of up to £30,000 during the period of suspension.

- 5.2 A further budgetary implication associated with suspension is the potential cost of preparing a “site allocations” Development Plan Document (DPD) for meeting that element of Coventry’s unmet need to be accommodated within the district, if this is the approach we decide to take (see para 7.3.5). At present it is not known whether this will be necessary nor how much this will cost as it is dependent on whether it is done jointly with other Councils in the HMA. This will need in any case to be the subject of a separate report.
- 5.2 In the event that the Plan is withdrawn (either through a decision of the Council or because the Inspector adheres to his previous view that the Plan should be withdrawn), the additional costs are expected to be higher as it is probable that aspects of the evidence base will need to be updated to inform the preparation of fresh plan proposals. Although it is not currently known what the financial implications of withdrawal would be, it is estimated that the costs would be in excess £50,000. If necessary, more detail will be provided on this as part of a future report.

6. Risks

- 6.1 An assessment of the risks associated with each option is set out in section 7 below.

7. Alternative Option(s) considered

7.1 Context

- 7.1.1 Three options for progressing the Local Plan have been assessed (see below). In assessing these options it is important to consider a number of contextual issues.
- 7.1.2 **Sub-regional work to assess the scale and distribution of Coventry’s Unmet Need: Appendix 3** shows the process and timetable being followed to address Coventry’s unmet need. The Memorandum of Understanding which will be the outcome of this work will specifically identify the amount of the unmet need across the sub-region that needs to be provided for within Warwick District. However at this stage, whilst it is safe to surmise that an element of the sub-regional total will need to be provided for within the district (as highlighted by the Inspector) the actual level of the need is an “unknown”. The assessment of the options below, therefore, assumes that the allocation of this unmet need within the district can be addressed without substantially changing the Plan’s Spatial Strategy (as set out in Policy DS4 of the submitted Local Plan – see **Appendix 4**). It also assumes that the timetable set out in the report agreed by the CWJCEGP on 6th July is adhered to by all the Councils. Clearly it is possible that these assumptions will prove to be wrong. In this event, it may

necessary to report back to the Council recommending a different course of action (see para 7.36).

7.1.3 Planning Advisory Service (PAS) Guidance on Local Plans: The PAS guidance on withdrawing or suspending Plans is:

"If major additional work needs to be carried out on a Plan, it is likely that the submitted Plan was not sound at submission and the LPA should withdraw the Plan. Where an LPA is aware that the examination is identifying unsoundness in relation to its Plan, it is inappropriate generally for the LPA to try to short-circuit the process by seeking to rectify a seriously flawed document through suspension".

7.1.4 The PAS Guidance goes on to indicate that suspension is generally appropriate where three tests can be met:

- **What is the scale and nature of the work required to overcome the perceived shortcoming of the Plan?** If the scale of the work requires a significantly new evidence base then suspension may not be appropriate as the resulting consequences cannot be predicted and there is therefore no assurance that the issue can be resolved quickly and without a substantial change to the Plan;
- **How long will it take to do the work?** The additional work required can be undertaken quickly and that the period of suspension is no more than 6 months (although there are exceptions);and
- **What will the further work lead to?** The consequences of the additional work are unlikely to lead to a substantially revised Plan compared with the one submitted.

7.1.5 The Government's Productivity Plan: The Productivity Plan announced in July 2015 includes a number of measures which directly affect the preparation of Local Plans. The main thrust of the Productivity Plan in so far as Local Plans are concerned is to ensure that Plans are put in place as quickly as possible to provide certainty around the plan-led approach to be adopted in a locality. As a result of this, the Secretary of State for Communities and Local Government has provided a written ministerial statement and has written to Simon Ridley, the Chief Executive of the Planning Inspectorate on 21st July 2015 setting out the approach the Government would like the Inspectorate to take when considering Local Plans. This letter provides some relevant context to the next steps in our Local Plan process, in particular:

- *"The Government accords great importance to authorities getting up-to-date Local Plans in place and to supporting them in doing so as a priority."*
- *"...there is a real value in getting a Local Plan in place at the soonest opportunity, even if it has some shortcomings which are not critical to the whole plan. We have acknowledged this in planning guidance by setting out that Local Plans may be found sound conditional upon a review in whole or in part within five years of adoption."*
- *"I will also clarify how early review may be used as a way of ensuring that a Local Plan is not unnecessarily delayed by seeking to resolve matters which are not critical to the plan's soundness or legal compliance as a whole."*

- *"The Planning Inspectorate plays an important role in examining plans impartially and publicly to ensure that they are legally compliant and sound, and many inspectors have already demonstrated commendable pragmatism and flexibility at examination to enable councils to get plans in place. I have, however, seen recent examples where councils are being advised to withdraw plans without being given the option to undertake further work to address shortcomings identified at examination. In order to maintain plan-making progress and to recognise the cost and time to a council prior to submitting a plan, it is critical that inspectors approach examination from the perspective of working pragmatically with councils towards achieving a sound Local Plan. We will shortly make a Ministerial Statement on this issue, including the importance of inspectors highlighting significant issues to councils very early on, and of giving councils full opportunity to address issues."* (Officer underlining)

7.1.6 The Ministerial statement also indicates 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"*.

7.1.7 The Statement also underlines the importance the Government is placing on the duty to co-operate stating: *"Local authorities cannot plan in isolation. They must work together to provide the land for the housing needed across housing market areas. The NPPF is clear that where local authorities cannot meet their housing needs in full, they should co-operate with other local authorities to do so. We will strengthen planning guidance to improve the operation of the duty to co-operate on key housing and planning issues, to ensure that housing and infrastructure needs are identified and planned for. It is particularly important that this co-operation happens where our housing needs are greatest."*

7.1.8 **Issues regarding housing delivery and supply:** To be found sound, the Local Plan should provide for a 5 year housing land supply upon adoption. It is also necessary to demonstrate that proposed housing supply (i.e. the allocated sites) can be delivered within the Plan Period. These requirements are likely to have significant implications for the assessment of site options. For instance, a single large site may have significant infrastructure requirements before house building can start which can significantly undermine its potential to deliver housing completions within 5 years. It is also more difficult to deliver the whole of a large site within the Plan Period given that a single house builder generally completes 40-80 dwellings per year on a specific site. So, if 4 house builders are active on a large site, an annual delivery of 200-300 dwellings per year is likely. Conversely, several smaller sites may have reduced direct infrastructure requirements enabling development to commence more quickly and can be built out within a shorter time period. These issues mean that in thinking about any additional site allocations, the Council will need to ensure there is a mix of

sizes and locations to increase delivery potential and maximise the contribution to 5 year land supply.

7.2 Option 1: Withdraw the Submitted Local Plan and prepare and submit a new revised plan.

7.2.1 Description of Option: this option involves withdrawing the Submitted Local Plan thereby agreeing to end the examination process that started in January 2015. This option would involve preparing a new Local Plan (albeit with the potential to draw heavily on the emerging Plan's proposals) to fully address the concerns raised by the Inspector.

7.2.2 Withdrawing the Plan would provide the time to fully address the following:

- To identify the part of Coventry's unmet need that needs to be met in Warwick District and include this in the Local Plan's housing requirement.
- To either allocate land to address Warwick District's part of the unmet need and plan for the infrastructure and associated uses to support the allocation(s) or to prepare a Joint Allocations Plan with Coventry and other authorities in Warwickshire to allocate the necessary land and plan for the infrastructure.
- To allocate land and amend the Infrastructure Delivery Plan to ensure the Plan includes sufficient land to meet its housing requirement and to ensure that a 5 year housing land supply will be in place on adoption.
- To review evidence and revise policies accordingly.

One implication of withdrawing the Plan is that the revised submission and later adoption dates will mean the Plan period will need to be extended from 2029 to at least 2031 to give the Plan a reasonable time horizon on adoption. This would, in itself, increase the amount of housing that the District needed to allocate regardless of any additional numbers arising from the sub-regional distribution of Coventry's unmet need.

7.2.3 Process and potential timeline:

August 2015: write to the Inspector to withdraw the submitted Local Plan.

Summer 2015: joint working/cooperation to agree the scale and distribution of unmet housing need across Coventry and Warwickshire.

Summer 2015: undertake site assessment work to identify options to address the inspector's concerns regarding the submitted Plan's windfalls allowance.

Summer/Autumn 2015: review evidence and if necessary undertake studies to update the evidence base.

September 2015: JCWJCEGP to agree Memorandum of Understanding (MoU) for the distribution of unmet housing need across Coventry and Warwickshire.

Autumn 2015: based on the site assessment work and the contents of the MoU, review the housing trajectory and 5 year housing land supply position to ensure that there is a sufficient supply on adoption.

October to December 2015: endorsement of MoU by each Council.

September to December 2015: complete technical work (including site assessments, sustainability appraisal, Habitat Regulations Assessment and other evidence updates), to identify additional site allocations and to identify other changes to the Plan.

January 2015: informal briefings on additional site allocations and any policy amendments.

February/March 2016: Publication Draft of revised Local Plan considered by Council.

April/May 2016: Consultation on Publication Draft Local Plan.

June/July/August 2016: analysis of consultation responses and consideration of potential modifications as result.

Sept 2016: Local Plan submission considered by Council.

September 2016: submission of Local Plan and commencement of Examination process.

Summer/Autumn 2017: Potential date for Local Plan adoption.

7.2.4 **Advantages and Opportunities:**

- Withdrawing the Plan allows more time to address the Inspector's concerns and in particular reduces the risk that the emerging Memorandum of Understanding will not be supported by all Councils within the required timescales. In this option, there is time to revisit the Memorandum of Understanding should problems arise.
- This option aligns with the Inspector's recommendation in his letter and will therefore be supported by Planning Inspectorate.
- This options provides opportunity to consult on additional site options in advance of resubmission and to allocate sites to meet the agreed proportion of Coventry's unmet need that is allocated to the district.

7.2.5 **Disadvantages:**

- The main disadvantage is that withdrawing the Plan will result in a longer delay than the option of suspending the Plan (see below). Until the Plan is adopted, the risks set in 7.2.6 below will be more significant and so a delay to the Plan will mean these risks are present for a longer period of time.
- The review of evidence required to ensure that the submitted Plan is up to date is likely to result in additional costs in commissioning studies to underpin evidence (see para 5.2 above). These costs are likely to be substantially more than if the Examination continues

- The delay to the Local Plan will lead to a delay to the introduction of a Community Infrastructure Levy (CIL) scheme as no such scheme can be adopted until the Local Plan is itself adopted. This will make funding for the Infrastructure Delivery Plan more complicated in the interim.
- A new set of household projections are likely to be published late in the Summer or in the Autumn of next year (the 2014-based SNPP). That would be likely to significantly complicate and lengthen the assessment of housing need and result in substantial re-work.
- The benefits of the Submitted Local Plan having some weight attached to it by virtue of part completion of the Examination process (e.g. passing the Duty to Co-operate test) would be lost, meaning that some policies that might be relevant for the consideration of some planning applications could not be applied.

7.2.6 **Risks:** The main risks associated with this option relate to the extended delay that is likely to result. The risks of extended delay are:

- **Delay in delivering Local Plan Housing Sites:** Any Local Plan housing sites in the Green Belt cannot be brought forward until the Plan is adopted. Withdrawal of the Plan will therefore hold up the delivery of all housing sites within the Green Belt including at Kenilworth and Lillington. This undermines the Council's ambitions to boost housing supply in line with the NPPF but will also mean that the community benefits that these developments are intended to bring will be delayed.
- **Consequences for the sub-regional and other employment sites:** The proposed sub-regional employment site (the Coventry & Warwickshire Gateway) is currently within the Green Belt, this cannot be progressed until the Plan is adopted. This is likely to have implications for the supply of readily available large-scale employment land within the sub-region. Such delay will clearly hinder the recovery of the local economy slowing the growth of businesses and jobs and undermine the sub-region's Strategic Economic Plan. The same is true for the development of the University of Warwick campus, for Stoneleigh Park and for the proposed employment land at Stratford Road, Warwick.
- **Applications for development on unwanted sites:** Whilst we do not have a Local Plan in place there is a risk that applications for development on non-Green Belt sites which fall outside our spatial strategy will receive planning permission through appeals. This is particularly the case when we do not have a 5 year supply of housing land, something which can best be remedied in a controlled way through the adoption of the Local Plan. This may have particular implications for the Asps appeal (900 houses) and the forthcoming Gallows Hill appeal south of Warwick (450 houses).
- **Outdated Plan Policies:** The policies in the emerging Local Plan (for instance those covering retail, economy, flooding, healthy communities, housing etc.) cannot be given weight in the event that the Plan is withdrawn. This would mean that decisions on a whole range of planning applications would have to be based on policies in the extant Local Plan that are long in the tooth or on national policy.

- **Infrastructure Delivery:** The delivery and funding of Infrastructure will be more difficult to achieve for two reasons. Firstly we will be at risk from applications on unallocated sites for which infrastructure requirements have not been fully assessed and planned, making it harder to identify and justify developer contributions. Secondly, a delay to the Local Plan adoption will also delay our ability to adopt a CIL Scheme. This will increase the risk that we will not be able to justify Section 106 contributions for all infrastructure requirements due to “pooling restrictions”.
- **Government Intervention:** Although specific details have yet to emerge the Government has announced that if Plans have not progressed by early 2017 then it may intervene (see paragraph 7.1.6) and “*arrange for the plan to be written, in consultation with local people, to accelerate production of a local plan*” which can also be taken to mean that development and its location will be imposed on the District irrespective of the Council’s views.

7.2.7 In addition to the risks associated with delay, there is no guarantee that the Plan will be found sound even after delay given the complexity of the system and the difficulties associated with reaching robust agreements through Duty to Cooperate (although this risk applies to all options to a greater or lesser degree).

7.2.8 The officers have considered the balance of risks that will affect the continuing process of delivering effective planning for this District. The conclusion reached by Officers, is that the withdrawal of the Plan will significantly undermine that process and have therefore not recommended this option.

7.3 **Option 2: Request that the Examination of the Local Plan is suspended** pending work to address the concerns raised by the Inspector, before continuing with the Plan’s examination subject to the submitted modifications.

7.3.1 **Description of Option:** This option involves sending a carefully justified letter to the Local Plan Inspector requesting that he agrees to a suspension of the Plan’s examination.

7.3.2 A suspension would mean that the examination of the submitted Local Plan can continue but that the next stages of that examination are deferred until the Council has addressed the concerns raised by the Inspector in his Interim Findings.

7.3.3 It would therefore be important that the letter sent to the Inspector demonstrates that the issues he has highlighted can be addressed within a reasonable timescale. Whilst the guidance indicates this should generally not be more than 6 months, there are several recent examples where a suspension of 8 to 9 months has been agreed, including in respect of Stratford District Council’s Local Plan.

- 7.3.4 The letter would also need to demonstrate that the resulting changes are unlikely to lead to a substantial change to the Plan's strategy. To do this we will need to show that accommodating additional housing to meet Coventry's unmet need can be done without a significant change to the Plan's spatial strategy. The Plan's spatial strategy is set out in Policy DS4, which is shown in **Appendix 4**.
- 7.3.5 If the Inspector agrees to a suspension, it would be important that we prepare proposals that are soundly based on evidence to fully meet Warwick District's portion of Coventry's unmet need. Ideally, this would involve proposing site allocations to meet that need and officers will seek to achieve this. However, it is recognised that if these sites abut a neighbouring authority (for example sites on the edge of Coventry) and if other Districts in the Housing Market Area are also considering sites on the edge of the City, then complex work is likely to be necessary to coordinate infrastructure requirements, particularly in the City itself. In this case, it may be necessary that sites are allocated for later in the Plan Period and that an infrastructure DPD to support sites is produced. This work may extend beyond time period of a suspension. However, officers are of the view that a robust process for addressing this is for the Local Plan to commit to preparing a separate Development Plan Document (DPD) to allocate land to meet Coventry's need and that this could be done within the scope of the Local Plan's spatial strategy. This could be prepared jointly with Coventry City and if necessary other District's in the Housing Market Area. If this approach is pursued, it will be necessary to prepare a clear and robust road map for the DPD to demonstrate that the Plan will be prepared in sufficient time and with sufficient rigour to enable the delivery of sites within the Plan Period.
- 7.3.6 In the event that the Inspector refuses the Council's request to suspend the Plan, a further report would be brought to Council to formally consider the withdrawal of the Plan and to set out a timetable for preparing fresh proposals for submission along the lines set out in option 1 above.
- 7.3.7 **Process and potential timeline**
- August 2015: write to the Inspector requesting the examination is suspended to provide time to address points of concern.
- Summer 2015: joint working/cooperation to agree the scale and distribution of unmet housing need across Coventry and Warwickshire.
- Summer 2015: undertake site assessment work to identify options to address the Inspector's concerns regarding the submitted Plan's windfalls allowance.
- September 2015: CWJCEGP to agree Memorandum of Understanding (MoU) for the distribution of unmet housing need across Coventry and Warwickshire.

October 2015: Identify sites to ensure sufficient housing land supply to provide a 5 year land supply on adoption and establish an approach to the preparation of a site allocations DPD if necessary.

December 2015: Council report to endorse MoU and to agree proposed modifications to the Plan, including revised housing requirement, approach for identifying sites to address unmet need arising in Coventry and allocation of additional sites to address windfalls/supply issues.

January/February 2016: if requested by the Inspector, undertake a consultation on proposed modifications to the Plan and organise responses for the Inspector's consideration.

March 2016: submit proposed modifications and consultation responses to the Inspector and recommence the Local Plan examination.

December 2016: potential date for Local Plan adoption following consultation on any modifications.

7.3.8 Advantages and Opportunities:

- The process results in an overall delay of less than 9 months (June 2015 to March 2016) and potentially provides the quickest route to adoption (subject to the Inspector finding the Plan sound). This aligns with recent Government announcements about providing impetus to local plans and minimises the risks associated with delay to the adoption of the Plan.
- The process focuses on modifications required to address the specific concerns raised by the Inspector and therefore does not re-open debate about the whole of the Plan.
- The benefits of the Submitted Plan having some weight attached to it by virtue of part completion of the Examination process (e.g. passing the Duty to Co-operate test) would be retained, meaning that some policies that might be relevant for the consideration of some planning applications could be applied.
- A suspension produces the best return on the resources invested in the Plan to date and minimises re-work.
- The early adoption of a Plan following suspension will allow the Council to make progress with the adoption of a CIL charging schedule.
- The early adoption of a plan will minimise the period during which there is "planning by appeal" in the district. That will save substantial costs.

7.3.10 Disadvantages:

- Suspension may not be supported by the Inspector meaning that we may need to withdraw the Plan anyway, particularly if he believes the modifications will result in a Plan that is substantially different than the one submitted. However it is hoped that this will not lead to further delay beyond that which is set out in option 1.
- It is still possible that the Inspector will agree to suspension but will still find the Plan unsound either because he is not satisfied with the approach we have taken to addressing the concerns he has raised or because he identifies soundness issues with regard to aspects of the

Plan that he has not yet examined. This would lead to a more significant delay.

- 7.3.11 **Risks:** The risks associated with this option predominantly concern the fact that the Inspector has indicated that he thinks the Plan should be withdrawn and that the timescales associated with suspension mean momentum needs to be maintained. So the risks are:
- The Plan is still found unsound even after the modifications are made
 - If a consultation is undertaken, this may generate a substantial number of objections and associated concerns for members
 - The momentum required to achieve the timelines associated with this option rely to an extent on the Memorandum of Understanding. Failure to reach agreement on this has the potential to delay the process. However, ensuring that Warwick accommodates its portion of Coventry's unmet need and retaining an early Plan review policy as a contingency would go a long way towards mitigating this risk.
 - This option may require a further site allocation DPD to be prepared in conjunction with some of the other Councils in the Housing Market Area. The timeline for this will need to be prepared with the partner authorities. This has the potential to be a complex process.
 - If the cumulative scale of modifications required to make the Plan sound (either as result of modifications being considered now or modifications that may be required in the future) are such that the Plan is considered to be substantively different then it is still possible the Plan may need to be withdrawn or that the Plan could be subject to legal challenge

7.3.12 Even though there are risks associated with this option, it is considered that it has the potential to deliver a sound Local Plan in the shortest time. Therefore, given the risks associated with delaying the Plan, officers consider this is the best available option.

7.4 Option 3: Request that the Examination of the Local Plan continues without further changes to address Coventry's unmet housing need (subject to modifications to address the Inspector's concerns regarding the windfalls allowance and supply of housing land)

7.4.1 **Description of Option:** In this option we would request that the Inspector completes the examination of the Plan largely as submitted. Modifications could be undertaken to address the Inspector's concerns about the windfalls allowance and housing supply, but the Inspector would be asked to reconsider the soundness of the Plan Review policy to address Coventry's unmet need.

7.4.2 **Assessment of Option 3:** Legally this option is possible and officers have given it consideration. However there are three significant issues which officers consider mean that this option cannot be pursued:

- a) This option would put us out of step with the work being carried out by the other Councils in the Housing Market Area as agreed by the shadow CWJCEGP on 6th July. If we pursued this option, it is possible that one or more of the Councils within the Housing Market Area could object and/or that our Plan fails the Duty to Cooperate test

- b) The Inspector has already given careful consideration to the validity of the Plan review policy to address Coventry's unmet need. He is very unlikely to change this view unless strong reasons can be provided as to why he should. Whilst recent government announcements (as set out in 7.1.5 above) suggest that an early Plan review policy could be supported, officers do not consider that this change of emphasis is sufficient to result in a change of approach from the Inspector, particularly as the Secretary of State's letter caveats his support for early Plan reviews with the phrase "*matters which are not critical to the plan's soundness or legal compliance as a whole*". Clearly the Inspector does consider that this is a critical issue.
- c) The approach would be time consuming (it would add at least a year to the process even if a legal challenge succeeded), carry some significant risk and add to the cost of the process.

7.4.3 For these reasons, officers consider that this option cannot realistically be pursued.