

 <b>Executive</b> <b>2<sup>nd</sup> June 2016</b>		<b>Agenda Item No.</b> <b>9</b>
<b>Title</b>	Local Plan Budget	
<b>For further information about this report please contact</b>	Dave Barber <a href="mailto:dave.barber@warwickdc.gov.uk">dave.barber@warwickdc.gov.uk</a> 01926 456065	
<b>Wards of the District directly affected</b>		
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	Council 28 <sup>th</sup> January 2015;	
<b>Background Papers</b>		

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	Yes
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality Impact Assessment Undertaken</b>	Yes/No (If No state why below)

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive	3/5/16	Chris Elliott
Head of Service	4/5/16	Tracy Darke
CMT	3/5/16	Chris Elliott, Bill Hunt, Andy Jones
Section 151 Officer		Mike Snow
Monitoring Officer		Andy Jones
Finance	3/5/16	Mike Snow
Portfolio Holder(s)		Cllr Stephen Cross
<b>Consultation &amp; Community Engagement</b>		
None		
<b>Final Decision?</b>		Yes

## 1. **Summary**

- 1.1 This report seeks agreement to draw down additional money from the Planning Appeals Reserve to support the Local Plan Examination

## 2. **Recommendation**

- 2.1 That an additional sum of £95,000 be set aside from the Planning Appeals Reserve to support the Local Plan Examination.
- 2.2 That until such time that involvement of planning officers in the Local Plan examination reduces, the approach to supporting Neighbourhood Plans be amended to limit input from planning officers to meeting the legal requirements as set out in para 3.7 to 3.9 below.

## 3. **Reasons for the Recommendation**

- 3.1 **Recommendation 2.1:** At its meeting of 28<sup>th</sup> January 2015, Executive approved a sum of £120,000 to cover the costs of the Local Plan and CIL Examination processes including the costs of the Inspector and the Programme Officer. This sum was added to an existing balance of £30,000 to provide a total budget of £150,000
- 3.2 To date the Inspector's costs have amounted to £33,762 and the Programme Officer's costs have been £5,250. This leaves just under £111,000 in the budget to cover the costs of the Local and Plan and CIL Examinations
- 3.3 We have recently received information from the Local Plan Inspector regarding the potential timings and timescales for the Local Plan Examination. Subject to him receiving the modifications and representations from the Council at the end of May he is hoping that preparatory work and written statements can take place during June, July and August, with the Examination hearings commencing towards the end of September. He is indicating that potentially the hearings might involve 9 weeks of sitting over a 12 week period. Whilst it is not possible to estimate with any accuracy what the final costs of the inspector's might be, the timescales indicated by the Inspector are longer than had originally been estimated in assessing potential costs. The complexity and comprehensive nature of the Local Plan means that it is likely that the Inspector's preparatory work and the work in pulling together the recommendations and final report may also take significantly longer than envisaged. Further, the same is likely to apply in estimating the Programme Officers time.
- 3.4 It is also becoming increasingly clear that it will be important to draw on the expertise of consultants who have prepared evidence to support the Local Plan. As examples this could include:
- GL Hearn with regard to housing need
  - Enfusion with regard to the Sustainability Appraisal
  - Warwickshire County Council with regard to Strategic Transport
- 3.5 Taking all this in to account, it is now estimated that the Local Plan Examination costs could be:
- Inspector's costs: £150,000 (including the £33,762 already committed)
  - Programme Officer costs: £35,000 (including the £5,250 already committed)

- Consultant costs: £30,000
- Total: £215,000

3.6 The costs of the CIL Examination are still expected to be in the region of £30,000. Therefore, the total cost of the CIL and Local Plan Examinations is expected to be £245,000. As £150,000 has already been set aside towards the Examinations, this report requests that a further £95,000 is set aside from the Planning Appeals Reserve.

3.7 **Recommendation 2.2:** The following neighbourhood plans are currently being progressed:

- Barford: examination complete. The next stage is the referendum
- Bishops Tachbrook: currently being examined
- Bubbenhall and Baginton: initial draft prepared.
- Budbrooke: consultation draft prepared. The next stage is formal consultation
- Kenilworth: area designated. Work on initial proposals now progressing
- Leamington: have applied for designation
- Leek Wootton: preparing consultation draft
- Stoneleigh and Ashow: exploring the possibility of redesignation as a separate neighbourhood plan area

3.8 The Local Plan Examination is likely to be time-consuming for the planning policy team until the end of the hearings (currently anticipated to be December 2016). It is important the planning policy officers continue to make the Local Plan their main priority during the preparation for and participation in the Local Plan hearings. During this period of time it will not be possible for them to provide more than the statutory support for neighbourhood plans. This may have an impact on the preparation of neighbourhood plans during this period and particularly on the non-statutory input planning policy officers have offered in relation to advising on conformity with the Local Plan and national policy, and providing advice on the evidence base and the wording/justification for specific policies.

3.9 During the period, the Head of Development Services will explore other opportunities to support neighbourhood plans, particularly where doing so dovetails with the Council's own priorities. It is proposed that Head of Development Service writes to all parish and town councils to set out the extent of the support that will be available during this period.

#### 4. **Policy Framework**

4.1 **Submitted Local Plan:** the recommendations seek to enable the progression of the submitted Local Plan through to adoption. The Local Plan and therefore this report, aligns directly with the Sustainable Community Strategy by supporting its themes of prosperous communities, sustainable communities, health and wellbeing and community safety.

4.2 **Fit for the Future:** By enabling the progression of the Local Plan, the recommendations support Fit for the Future

4.3 **Impact Assessments:** There are no Equalities Impacts associated with the recommendations

## 5. **Budgetary Framework**

- 5.1 The balance on the Planning Appeals Reserve at 31 March is estimated to be £572,800 (this includes income received over the last year from S106 Administration Fees). Taking account of committed and proposed expenditure on the Local Plan and CIL examination (as set out in paras 3.5 and 3.6 above) the remaining balance at 31 March 2016 will be £327,800.

## 6. **Risks**

- 6.1 There is a risk the Local Plan Inspector will find the Plan unsound and will recommend withdrawal or potentially a further period of suspension. These outcomes could lead to additional costs over and above those set out in this report.
- 6.2 Whilst we now have some indication from the Inspector regarding the likely timescales of the hearings, the Planning Inspectorate have understandably made it clear that they *"are unable to give any estimate of the likely future total for the work which will be needed to complete the examination"*. There therefore remains considerable uncertainty about how much preparation time and report writing time the Inspector will require. And in this context it is extremely difficult to estimate accurately the likely costs of the examination. Whilst some flexibility has been built in to the estimates set out above, there is a risk that the total costs will exceed these estimates.

## 7. **Alternative Option(s) considered**

- 7.1 To achieve adoption of the Local Plan, there are no alternatives to meeting the costs of the Inspector and the Programme Officer as we are bound by a statutory process.
- 7.2 It would be possible to undertake the Examination process without input from expertise detailed in para 3.4 above. However much of the work undertaken in preparing the evidence base is highly technical and requires specific expertise to explain and justify the conclusions. Without the input of these experts, there is therefore a significant risk that the Plan (or parts of it) could be found unsound.
- 7.3 It would be possible to continue to provide support to neighbourhood plans in line with the service provided over the last 12 months. This option has been considered, but without additional resources, is likely to have an impact on the progress of the Local Plan.
- 7.4 A further option is to utilise the Neighbourhood Plan Funding Grants received from central government to support the Council's involvement in Neighbourhood Plans to increase the staff time available for neighbourhood plans. During 2015/16, this amounted to £65,000. However, there are two significant issues to consider in relation to these grants:
- a) the level of funding cannot be predicted with any certainty as it is entirely dependent on the number of neighbourhood plan areas that are designated during the year and the number that progress to referendum.
  - b) the funding is provided to cover the costs of the statutory work the Council has to undertake in support of neighbourhood plans. This includes for instance the management of referenda; work to designate neighbourhood plan areas, appointing examiners and checking compliance with the regulations (basic conditions).

7.5 So, whilst this option could help provide some additional support it would require a commitment to provide funding without a guarantee the commensurate level of funding would be available from the grants.