

Pre-Scrutiny Questions and Answers- O&S 30 July 2024

Report Title: Meeting housing growth needs through the South Warwickshire Local Plan

Report Author(s): John Careford, Head of Development – Stratford-on-Avon District Council & Philip Clarke, Head of Place, Arts & Economy - Warwick District Council

Councillor Aizlewood:

Paragraph 1.2

Building houses IS an opportunity but it definitely WON'T help to tackle climate change, unless all the new houses are better than carbon neutral. Our current approach, via the DPD is far from this. If, as I think that we should, plan to be ambitious with our plans to build new homes then we MUST be ambitious in our approach to reducing carbon in building them. Perhaps this will be the topic of a future paper to the Joint Committee?

In supporting the recommendations, O&S should be aware of the huge potential CO2 impact, without an ambitious strategy to minimise CO2 pollution sitting alongside the building programme.

Q - Can WDC be confident that the Preferred Option will include such an ambitious strategy around CO2 reduction?

[Response: It is unavoidable that population growth, accompanied by new housing and employment, will increase CO2 emissions. The challenge for the SWLP is to do this in a way that minimises these emissions and supports the sustainable development. In doing this we need to work with other public sector bodies \(such as the County Council\) and many private sector organisations and companies and our ability to minimise CO2 reductions will be limited by the legislative and regulatory environment within which the Council, and all these other bodies, operate. From the outset the two councils have put "a climate resilient and net zero carbon South Warwickshire" as the first of its five overarching principles in the Local Plan. We are commissioning consultants to help us consider these matters. Officers are challenging our consultants to recommend an approach to reducing carbon emissions that is ambitious but is still likely to be found sound when tested at examination.](#)

Paragraph 1.5

"this report focusses only on the first of these [meeting need]". Absolutely that is not the case! And the report is contradictory (see 1.25). The HEDNA describes an ambitious plan to achieve growth of 24,000 new jobs and for 42,000 new

homes over 25 years. Enough to re-accommodate the whole population of Stratford, Leamington and Whitnash combined! Relatively little of that – maybe 20% - is to meet the needs of the current population of South Warwickshire.

Q – Can WDC be satisfied that this ambitious growth strategy, where around 80% of the new houses are to attract migration to the area, is one that merits the support of the current residents of Warwick District?

Response: In preparing the HEDNA, the consultants used the broad methodology taken by government and set out in its standard method as the starting point for estimating housing need. This government uses a “trend based” approach which looks at trends in housebuilding over a period. Such an approach does not distinguish between housing needs which have come from “local” needs, or the needs of those moving into the district to live.

The consultants have consistently advised that applying this approach is important if WDC and SDC are to prepare a plan which is robust when challenged at a forthcoming Public Examination. At the request of the two councils, the consultants did consider a projection for household growth that excludes migration assumptions to assist members in understanding the “local needs” component of any total housing need requirement. They concluded that such an approach would not be robust, and furthermore would have “*significant and severe*” implications, including a contracting workforce, a rising “dependency ratio” making it more difficult to sustain public services, falling school rolls, an impact on house prices and increasing levels of homelessness. The consultants concluded that they “*do not consider that it is realistic or consistent with national policy to plan on this basis. Whilst this scenario thus shows the influence which net migration has on population growth in South Warwickshire, there is no support in national policy for progressing a Plan on this basis and it would be very unlikely that a sound Plan could be achieved.*” (Further Advice on Housing & Employment Land Needs, Feb 2024, page 25)

Paragraph 1.25

Having given several good reasons why we should plan for a figure of 1679 new homes per year, for 25 years, the report cites “future changes to the planning system” as requiring a plan to be prepared for more than 1679, why? The strength of the 1679 figure is that it is one derived from an analysis covering a much wider geography (whole of Coventry and Warwickshire) with the corresponding figures accepted by each of the sponsoring Authorities.

Q – Should we be concerned that planning for a higher figure (than 1679) would introduce inconsistency and a suspicion that we don’t have confidence in the 1679 figure? i.e. shooting ourselves in the foot?

[If so, then I would argue that this element of the recommendation is withdrawn].

Response: The NPPF requires that local plans should be positively prepared, and it defines this as meaning that our strategies should, as a minimum, seek to meet our housing needs. The figures in the HEDNA need therefore to be viewed as a minimum not a target. The report is recommending that we allow some flexibility into the spatial strategy. This recognises that there may be several reasons why proposed allocations we make at this stage may not come forward as hoped, and also recognises that we may get future external pressures which impact on our understanding of housing needs. It is therefore prudent, at this stage, to allow an element of flexibility and “over provision” into the Preferred Options. This would avoid a need to review the whole strategy of the SWLP should we need to review allocations we make at this stage. It should also be remembered that there will be time to refine the Preferred Options document before it is submitted for Examination once we have a clearer idea of the deliverability of sites.

Minutes of the last Joint Committee meeting

The last meeting approved an item Appendix 2 which included a new timetable and various approval points. O&S should be aware that approval for the Preferred Option has, in effect, been delegated to the Joint Committee. The SWLP will only come to Full Council late in the day, after a Preferred Option has been finalised and the plan is ready to send to the Examiner. There is therefore a very significant role for O&S in providing proper scrutiny of the SWLP Preferred Option before a Public Consultation is launched in December.

Q – Given the scale of the new Local Plan proposal and the impact this may have on local residents, should we have any concerns about the governance of the SWLP process e.g. would it provide a stronger platform for consultation if the Preferred Option is “called in” for discussion at Full Council?

Response: The Decision regarding this matter is an Executive function and responsibility therefore for Cabinet Committee to determine and not one that Council at either Council can determine. The report will be considered by the Warwick District Overview & Scrutiny Committee on 30 July 2024. In line with the terms of reference for the Joint Cabinet a decision of it can be called in for further scrutiny in line with the call in procedure for each Council. In the case of WDC this is Council Procedure 21.

The “call in” request must provide a reason for the call-in. This should specify why the decision:

- is considered to be contrary to the normal requirements for decision-making; or
- is considered to be contrary to the Council’s agreed policy framework and/or budget; and/or
- what further information needs to be provided by the Cabinet to explain why the decision was taken

This does not mean an automatic referral to Council, I will not go into the full procedure here but details can be seen at pages 15,16 and 25.

https://www.warwickdc.gov.uk/downloads/download/244/council_constitution-rules_of_procedure

Joint Cabinet could ask the respective Council's to consider the item, or Councillors could seek a meeting to discuss this, however the decision is lawfully one for the Joint Cabinet and Council cannot change that decision only provide a view.

It could also be added that a robust governance process was put in place when the SWLP project was commenced. This involves an Advisory Group of councillors (from both councils) which meets monthly, regular meetings between the leaders and portfolio holders of the two councils and the establishment of a Joint Committee. This is supported by existing overview & scrutiny functions of both councils, as is happening in the case of this report and this meeting. For information, I can confirm that there are stages of the SWLP that would need to be referred for decision to Full Council meetings of both councils. These are (a) the submission of the SWLP to the Secretary of State and (b) adoption of the SWLP (after receipt of an inspector's report and publication and consultation of any proposed modifications).

Report Title: Proposed Changes to the Housing and Economic Land Availability Assessment (HELAA) Part A Methodology for the South Warwickshire Local Plan

Report Author(s): John Careford, Head of Development – Stratford-on-Avon District Council & Philip Clarke, Head of Place, Arts & Economy - Warwick District Council

Councillor Armstrong:

HEDNA Numbers

1. Paragraph 1.21, in suggesting the plan prepare for 'over-provision', contradicts paragraph 1.19, where the unified HEDNA approach is part of the justification for soundness of the plan. Implying additional numbers beyond the HEDNA would seem to suggest breaking from this soundness argument? Would it be better to avoid reference to 'other' numbers beyond the core proposed?

The Preferred Options draft of the SWLP will be the first time that the SWLP will have proposed a growth strategy, and identified those locations to which growth should be directed. At this stage, there are a number of areas of

uncertainty around these and more assessment work will be needed to test the deliverability of locations and individual sites within them. For this reason, it follows that some of the locations and areas may not ultimately be suitable or may not deliver the quantum of development (or at the rate) expected. It is prudent therefore to identify more/wider areas than we currently consider to be required to ensure that – once all the assessments have been completed – there is enough land to meet our development requirements. Not to do so would run the risk that if a number of sites were subsequently found not to be deliverable, it may mean that the development strategy as a whole may have to be reconsidered. This would possibly mean having to revisit the Preferred Options document which would have a knock-on impact on the wider Local Plan timetable.

2. Please could you give details on the errors (confidence intervals or similar) on these housing number estimates, as far as possible. Given the importance to the district of the number used, it's critical to have some knowledge of the error on it, and I haven't been able to find any analysis in the documents. Very sorry if I've missed it. I work professionally with statistical analyses with similar techniques to this, albeit different data and field, and not having some attempt at estimating errors would be, to be honest, a shocking gap to see.

An answer to this would require a detailed technical response from the consultants. This includes in relation to the confidence levels relating to the data that the consultants have drawn upon (suppliers from the ONS) in order to compile their projections. It should be noted that the government's own approach for assessing housing needs (the "standard method") relies on 2014-based household projections. The consultants have used the 2021 census as the basis for the HEDNA figures. Not only do census figures have a higher degree of confidence than ONS household projections, but the publication of the 2021 census revealed how inaccurate were the 2014-based projections. This was particularly the case in terms of the ONS historic estimates of the population of Coventry.

3. Connected to 3, but with a focus on specific timescales: as I understand it, the HEDNA uses a 10 year past trend. If the plan extends to 2050, that implies extrapolating forwards for >20 years. The appropriate trend baseline to use then would be of a similar duration, i.e. 20+ years, to avoid putting weight on short term variation. I have seen the argument in the ICENI report that the 20-year trend is seen as not representative of current trends. If this is the case, how can we assume that current trends will be relevant 20 years from now? The implication is that we are projecting trends well past their validity, which calls the accuracy of the resulting number into serious doubt. One option to avoid this possible statistical fallacy is to reduce the duration of the plan to be comparable to the trend used.

Again, the consultants could provide a more in-depth answer to this question. All projections of housing needs based on past trends will require assumptions to be made, and inevitably, the further into the future any projections are made, the more careful the Councils would need to be over these projections. This would make a good argument for a shorter plan period to reduce the likelihood of any errors in these projections. Against this, the following comments can be made:-

1. Having a longer planning period does allow the councils to plan ahead and consider planning solutions and opportunities which may be less apparent when there is a shorter plan period. Such solutions may require significant public investment to be made or infrastructure provided. A longer plan period allows local authorities to plan ahead for that infrastructure, which in turn can sometimes allow it to deliver development in more sustainable locations and of a more sustainable type.
2. It is not the case that once a development strategy to (say) 2050 has been established, there will be no opportunity to review it. Government requires planning authorities to keep policies in local plans under review to assess whether they need updating at least once every five years. There will therefore be plenty of opportunity to review and amend the housing needs figures in the SWLP before 2050.

It is these arguments which have led the decision to date to prepare the SWLP with an end date to 2050.

HELAA

1. Potential wildlife sites - Please can you specify the difference between these and 'Local wildlife sites'. Is it that one has undergone a Local Wildlife Site Survey as mentioned in 4.7 and the other has not? If so, can we undertake that any such site will undergo such a survey before being finalised, and not be approved for development if it meets the criteria to be a local wildlife site? Otherwise, the implication is that we think a site has potential but are deciding not to look. Given there are only 15 such sites failing on this criteria this should be plausible.

Response to follow.

Councillor Milton:

In terms of the Hedna and how it's calculated can you confirm what qualifies as a 'home' and how the mix of homes is decided (size and tenure).

Response: Homes includes dwellings of all types, regardless of size and tenure. In calculating the number of homes being built, an allowance is also made for student accommodation.

Who determines what the Housing Market Area is? I'm presuming this is a government decision. I'm also assuming that the Birmingham and Solihull is included within this because of Stratford district. Are we able to quantify the impact of that?

Response: The concept of Housing Market Areas (HMAs) has been in use since c2010. It was an approach established by government. At the time they were defined as "...geographical areas identified by household demand and preferences for housing... (that) ...reflect the key functional linkages between places where people live and work...". Since then, it has been accepted (including through Examinations) that Warwick District sits within a HMA covering Coventry & Warwickshire. Stratford-on-Avon District sits within this HMA but is also impacted on by pressures from Greater Birmingham and the Black Country so sits within this HMA also. The most recent HEDNA (undertaken on behalf of all the local authorities in the Coventry & Warwickshire HMA) reaffirmed that it considered that "*Whilst functional geographies do not in reality precisely fit onto local authority boundaries, Coventry and Warwickshire remains an appropriate 'best fit' Housing Market Area (HMA) and Functional Economic Market Area (FEMA).*" Recognizing the impact of other HMAs, the HEDNA also stated that: "*Inevitably functional market areas clearly do not precisely fit to local authority boundaries; and at the borders of any area HMA there are often links with the adjoining areas. Plan making activities should therefore continue to recognise overlaps in North Warwickshire and Stratford-on-Avon with the Birmingham HMA and FEMA; between Rugby and West Northamptonshire; and local links across the A5 with Hinckley and Bosworth (which is in Leicestershire).*" (HEDNA – para 1.9).

Could you also explain the justification for 'over provision'? I know this has been raised elsewhere but I wasn't 100% clear on the answer.

Response: The main reason for seeking to identify more land than the HEDNA figures would suggest is required is principally to provide greater flexibility as we refine our choice of sites for the SWLP. At this stage, we cannot be certain that all the locations we identify will be able to deliver the amount of new development currently projected. Some sites may turn out not to be deliverable; others may be deliverable, but with less capacity than we currently think. By identifying more land than we currently think we will need, we will have the scope to take land out before we submit the Plan for Examination.

If the plan weren't accepted (i.e. it wasn't found to be sound) what would be the consequences for the council?

Response: The consequences of not having a sound local plan would be significant and wide ranging. There would be cost implications if we had to go back and re-do the Local Plan. More immediately, we would be unable to control the location and delivery of new development, leading to development in less sustainable locations without the proper planning and delivery of timely infrastructure. It would make it more difficult to control matters such as our housing land supply (5-year supply). It would impact on the Council's ability to deliver on some of our priorities as set out in the Corporate Strategy.

On the Heela, where does the impact on agricultural land supply (and our ability to feed our population) happen?

Response: Agricultural Land Quality is assessed to help ensure the UK's continued food security. The proposal is to move this assessment to HELAA part B, making this the initial assessment of that particular constraint. The results of this assessment can be used to judge the relative harm to individual sites and to compare between sites. When selecting sites for potential allocation, the HELAA part B results can also be used to consider the cumulative impact across South Warwickshire.

Is there also an assessment of the impact on biodiversity of removing farmland?

Response: The concept of "biodiversity net gain" is well-established in planning, and it is expected that the SWLP will strengthen the policies currently found in Warwick's Local Plan and Stratford's Core Strategy (to bring it in line with national guidance). The HELAA process aims to sift out those sites where the impact on biodiversity would be greatest; but even sites which get allocated will still need to demonstrate through the planning process how they minimise harms and improve conditions overall onsite.

With wildlife sites going into part B is there a way to give them extra protection or weight, particularly where they are making a significant contribution to biodiversity?

Response: To be clear, all designated wildlife sites will be assessed in HELAA part A – this includes Local Wildlife Sites, as well as SSSIs and Ancient Woodland. It is Potential Local Wildlife Sites which are proposed to be moved to HELAA part B to reflect their lack of formal designation.

HELAA part B works by scoring each constraint according to its potential impact, using an appropriate weighting to ensure that the most important and impactful constraints factor into an overall picture of the site as a whole. This means proper account will be taken of sites with a particularly significant contribution to biodiversity.

Section 5.3 mentions the climate emergency impacts but not the biodiversity impacts. How will the biodiversity impacts of the plan be managed?

HELAA part A makes an initial sift of those sites where the biodiversity impact is greatest or with the least potential for mitigation.

HELAA part B takes a further nuanced look at remaining sites, and provides evidence on which to base selection of sites.

The selection of sites for a preferred spatial growth strategy will include consideration of the cumulative impact of that strategy.

The preferred spatial growth strategy will be subject to a Sustainability Appraisal, which includes (among other things) biodiversity impact.

There are further rounds of consultation and an Examination, at which the biodiversity impact of development will be further scrutinised.

Councillor R Dickson:

- a) External communications – the recent CPC report commented on the need to ‘further strengthen and ensure transparent and robust governance’, so it would help to know how is it proposed that local residents, businesses and community groups continue to be engaged with the Plan? This will be vital if the SWLP is have buy-in and acceptance, especially given likely impact of the new developments and the fact that the Plan is already behind its original schedule; [When the Preferred Options document is approved by the Joint Committee, we will embark on a full public consultation on this. At that time we will set out how that is to be done, and if members are consider that more needs to be done, this can be discussed at that time.](#)
- b) Timetable – it’s appreciated that the purpose of this report is primarily to seek endorsement of housing need figures, but it would be useful to have a reminder of the current timetable for development of the Plan, including how this differs from the original timetable. [The current timetable is on our website here. In November 2023 we updated the timetable and there report setting this out can be found here \(see item 5\).](#) and
- c) Project Management - Cllr Jessica Harrison spoke in last week’s Council meeting about how ‘delay is not our friend’ so it would be helpful to know what can be done (and done by all Councillors and staff working together) to ensure that, as far as changing external circumstances allow, delivery of the SWLP sticks to the published timetable.

We work continually to try to ensure that we have the resources and processes to deliver the SWLP:-

- A team of officers from both WDC and SDC is currently working on the SWLP, and we bring in additional support as necessary. Apart from existing officers, we employ a Team Leader and Project Assistant to support the work of the SWLP.
- There is always a balance to be struck in Local Plan work; when working within defined budgets, when deciding the extent of the evidence base, when balancing work on the Local Plan with other planning policy work, and when managing public and member expectations. We seek to keep this under active review.
- We meet regularly with the leaders and portfolio holders of the two councils to oversee the work on the Plan.
- The Advisory Group meets approximately monthly to support the work on the SWLP.

It should also be noted that we are also working in an uncertain (national) political, legislative and regulatory environment. The previous government introduced legislation that would change the process for preparing local plans, however, did not bring this into effect before the election. The previous government amended the NPPF and the new government is proposing to do so also. All of these changes impact upon the resources required – and the time taken – to prepare the SWLP. We always aim to keep members advised and updated on this.

Report Title: Climate Change Action Programme Update (and discussion paper on how best to focus and scrutinise the five themes below)

Report Author(s): Dave Barber – Programme Director for Climate Change

Councillor R Dickson: At this stage the only question I have relates to the proposals re offsetting. It's noted that the Council remains committed to the aim of being a net zero Council by 2025, but the paper suggests that consideration of the merits – financial and otherwise - of carbon offsetting will rest with the Climate Change Action Plan (CCAP) Advisory Group. How can transparency of the CCAP AG's discussions be ensured and what assurance is available that the ultimate decisions about offsetting will rest with full Council after it has been presented with all the facts?

The discussion with the Members Advisory Group is certainly not intended to be a decision point with regard to offsetting, but it will be an important opportunity to discuss ideas and options with members at an early stage so that the Portfolio Holder and officers can take their advice forward into the development of the offsetting scheme. It must be remembered that these are not public meetings and the advice offered by the members who attend is informal. I would therefore suggest that the

meetings are not formally minuted or made public as this may fetter the discussion. We will however take notes so that there is a record for the members involved of what was discussed and agreed.

In line with the constitution, the final decision on our approach to offsetting will sit with the Cabinet and of course can involve input from Overview and Scrutiny as part of that.