

POS Enterprises

Planning Strategically in South West Hertfordshire

December 2017

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1 Background

- 1.1 The South West Hertfordshire Authorities of Dacorum, Hertsmere, Three Rivers and Watford have been working closely together on their individual local plans for some time now, with key evidence being developed on a shared basis and a draft Memorandum of Understanding (MoU) prepared to guide future work. The Housing Market Area (HMA) within which they are all operating also includes St Albans but St Albans District Council (SADC), until recently, has disagreed with the HMA definition and has therefore not been as involved in the joint technical work. The differing views on the HMA definition and the absence of any consultation on its HMA work with neighbouring authorities, were key factors in SADC's failure to comply with the Duty to Cooperate at its local plan examination in 2016. Since then, however, there has been important progress on the HMA issue and in November 2017, SADC agreed:

That the Council moves forward with joint work on a Statement of Common Ground with the South West Herts Group with a view to joining the Group. This work must take into appropriate account other important functional linkages such as with Welwyn and Hatfield.

- 1.2 At the same time, the councils are considering ways in which they can strengthen relationships across South West Herts, with a view to having a more effective approach to strategic planning in the HMA and within the wider geographical context. This has also been brought into sharp focus as a result of the recent threat of Secretary of State intervention in the St Albans Local Plan¹. SADC has until the end of January 2018 to respond to this, explaining what positive measures it is putting in place to deliver a plan.
- 1.3 POS Enterprises has been asked to advise the Councils on options for enhancing collaboration on strategic planning matters across the HMA, particularly in terms of government expectations and potential models based on experience elsewhere.
- 1.4 In addition to the general issue of more effective joint working, the Councils have also asked for advice on how to plan and deliver strategic sites more effectively, particularly where they impact on more than one authority within the HMA (or adjoining the HMA).
- 1.5 This report sets out the most up to date context for strategic planning and particularly how the Government is reforming the planning system to strengthen the Duty to Cooperate, with recommendations for the councils to consider within this context. It also reflects discussions held with officers at a workshop on the 28 November 2017.

¹ On the 16th November the Secretary of State announced that he was starting intervention process against 15 local authorities that have failed to deliver up-to-date local plans - <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2017-11-16/HCWS254/>

2 Strategic Planning – the national context

- 2.1 Since the abolition of Regional Spatial Strategies in 2010 by the Coalition Government, strategic planning requirements nationally have been set out in the 2011 Localism Act (the Duty to Cooperate) and the 2012 National Planning Policy Framework (NPPF). However, a significant number of local authorities have failed to comply with the Duty to Cooperate and /or have failed to deliver sound plans in relation to strategic matters, under the current system. The lack of an effective strategic planning mechanism was therefore highlighted in 2016 by the government sponsored Local Plans Expert Group (LPEG) as a key weakness in the planning system and particularly, in delivering housing across HMAs².
- 2.2 The Government has now responded to the issues raised by LPEG by proposing a number of reforms to the current system and through financial incentives aimed at strengthening strategic planning. These are summarised in Annex 1. A key plank of the Government's new approach is to encourage local authorities to work together on joint (statutory) plans across HMAs, and many of the proposed reforms to the planning system and incentives offered to local authorities are being targeted at supporting this. Although the Government is not likely to impose this as a model for strategic planning across the country, it is clear that its 'carrot and stick' approach is making this increasingly difficult to avoid.
- 2.3 The two main changes proposed in terms of 'process' are the introduction of a compulsory 'Statement of Common Ground' for every local planning authority (see Paragraphs 2.16-2.19 of this report), and two new proposed 'tests of soundness' aimed at ensuring strategic planning matters across HMAs have been properly addressed³. These will be used at local plan examinations to ensure that there is not only a proactive and positive approach to strategic planning matters across HMAs (as currently required by the Duty to Cooperate), but that there is a clear (and agreed) approach to how these will be delivered in all relevant local plans. The new tests are expected to be confirmed in the revised NPPF but, as currently proposed, would require plans to be:
- a) prepared based on a strategy informed by agreements over the wider area, and
 - b) based on effective joint working on cross-boundary strategic priorities, which are evidenced in the statement of common ground.
- 2.4 In addition to the procedural changes, significant infrastructure and capacity funding is being offered to local authorities that are willing to prepare a statutory joint plan. Recent examples of the 'carrots' on offer include the emphasis on joint plans in the Housing Infrastructure Fund bidding process, and the recently announced Planning Delivery Fund (refer to Annex 1). The Secretary of State has also acknowledged the importance of

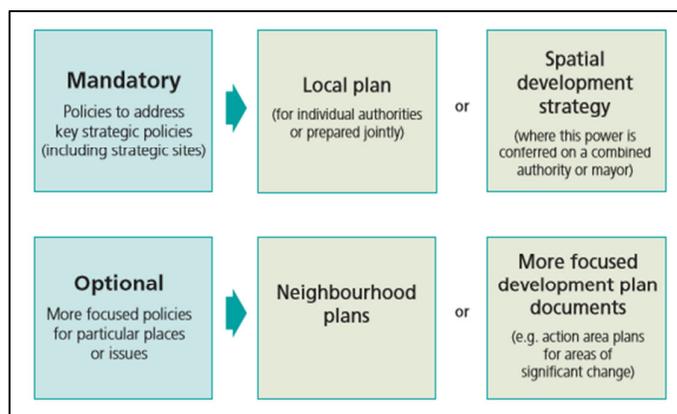
² Local Plan Expert Group report and recommendations - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/508345/Local-plans-report-to-governement.pdf

³ The new 'tests of soundness' were proposed in the September 2017 consultation – The right homes in the right places – and will be implemented through the revised NPPF in 2018.

effective strategic cooperation in his approach to local plan intervention, which in some areas may lead to a direction to prepare a joint local plan.

- 2.5 Joint plans are not a new concept; there is already a long history of this, particularly in the Midlands, where authorities have prepared joint core strategies. However, there are some differences in this approach to the new one envisaged by Government. A critical difference is in relation to decision-making. In all previous cases, work on the joint core strategy was managed through a statutory joint committee by order of the Secretary of State⁴. The Government is reluctant to use this model for the new generation of joint plans, preferring instead a voluntary collaboration model to manage plan preparation. This is the approach being used by the three ‘pilot’ joint plans currently being progressed in the South West (see Case Studies 2, 3 and 4 in Annex 2).
- 2.6 The Government is also advocating a different model of joint planning, with a more strategic focus, as outlined in the Housing White Paper in February 2017 (see Figure 1 below). This approach is also supported through the Neighbourhood Planning Act⁵ which requires all local authorities to identify their strategic priorities and set out policies in their development plan documents (taken as a whole) to address these. There is therefore no statutory requirement to produce local plans as they are currently being prepared.
- 2.7 Further details of what this new style ‘strategic’ plan means in practice are expected to emerge through revisions to the NPPF/NPPG in the first half of 2018. Current understanding of the concept, however, is that there will be essential policies that all strategic local plans will have to include around housing number and distribution, employment land priorities (which should also reflect local industrial strategies in future), and transport and other strategic infrastructure priorities. The additional scope of each plan will depend on the strategic priorities required to implement the strategy, so for example, these could include cross-cutting themes such as design and quality of development (including future-proofing development, supporting ‘healthy communities’), type of housing needed, green infrastructure (and Green Belt), and energy.

Figure 1: Government’s proposed ‘strategic’ local plan, Housing White Paper (Feb 2017)



⁴ Section 28 of the 2004 Planning and Compulsory Purchase Act allows the establishment of a joint planning committee with decision-making powers through a Secretary of State Order. The last Order was in 2009.

⁵ Neighbourhood Planning Act 2017 (Local development documents)

<http://www.legislation.gov.uk/ukpga/2017/20/part/1/crossheading/local-development-documents/enacted>

- 2.8 More detailed, development plan documents (DPDs) will be needed to support implementation of the strategic priorities, focused on areas where change needs to be managed or where the local communities are willing to place-shape through neighbourhood plans. There are a number of existing ‘tools in the box’ (development plan documents) for this and the Government is actively encouraging local authorities to use these flexibly to suit each area. This ‘portfolio’ of plans (i.e. the joint ‘strategic’ plan and local DPDs) would provide the statutory planning framework for each area.
- 2.9 Where a joint plan is being prepared, many of the detailed DPDs will be managed by individual authorities but some ‘joint area action plans’ may be needed, for example, to deliver strategic development locations that impact on more than one local authority area. In some local planning areas, and where LPAs consider this to be appropriate, only neighbourhood plans may be needed, in addition to the joint strategic plan. In some areas, a district-wide approach may still be the most appropriate way to support delivery of the joint spatial strategy. The key, however, is that once the strategic planning framework is set through the joint plan, a flexible approach should be taken regarding what other plan-making tools are needed to deliver this, with the most appropriate DPD used to suit the circumstances.
- 2.10 This new approach to planning across HMAs also needs to recognise that there will be other influences on the strategic priorities at different geographical scales and impacting on different parts of the HMA, that need to be taken into account. For example, in a South West Herts context, a joint plan will have to reflect other, more local relationships (e.g. with Welwyn-Hatfield), as well as the wider context (e.g. Hertfordshire’s economic and infrastructure priorities and the London Plan).

Strategic planning case studies

- 2.11 Some local authorities are already piloting the concept of a ‘strategic’ local plan, with the West of England Authorities Joint Spatial Plan (JSP) being the most advanced (see Case Study 2 in Annex 2). The draft (Regulation 19) JSP was published in November 2017. It has a very narrow scope with only seven policies aimed at addressing the overall quantum and distribution (to each local planning area) of development, and establishing several strategic development areas. There are no specific sites allocated in the JSP as these will be managed through the individual local planning authority’s DPDs, therefore an indicative ‘key diagram’ is used illustrate the strategic priority areas, rather than a detailed map (see Figure 2 below).

Figure 2: West of England JSP Key Diagram (November 2017)



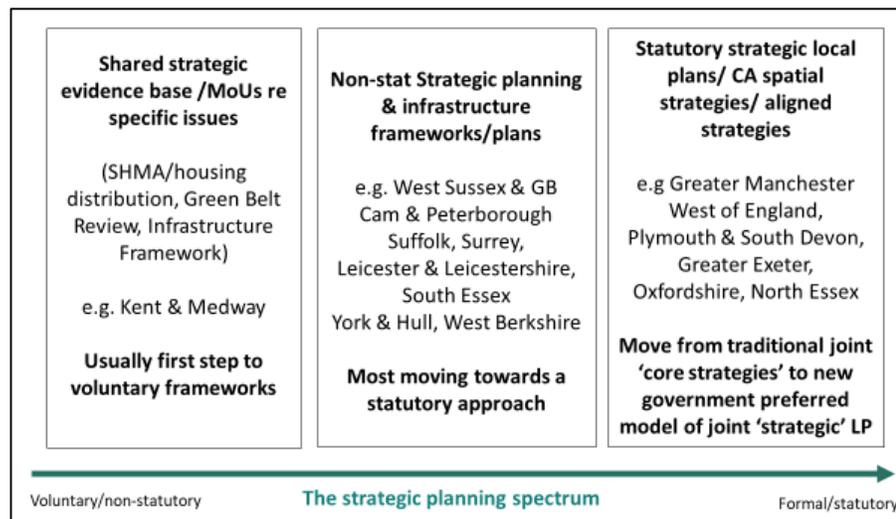
- 2.12 An important factor in managing a joint plan alongside the more detailed, focused DPDs, is that they can be prepared alongside the strategic framework and do not have to wait until this is finalised. In the West of England's case, the detailed DPDs are being progressed alongside the JSP, although they are one stage behind to ensure that they continue to be fully aligned with the emerging strategic priorities and spatial strategy. Regular reviews are also built into the process to ensure ongoing consistency between plans. So, for example, South Gloucestershire Council, which is one of the four authorities involved in the JSP, approved the draft (Regulation 19) JSP for consultation at the same time as publishing its own (Regulation 18) more detailed DPD for the area.
- 2.13 As mentioned in Paragraph 2.5, the new style joint plans being pioneered in the South West are not being managed through statutory joint committees, as the existing joint core strategies are. Although they have robust governance and working arrangements to ensure strong collaboration, these are advisory only, as decision-making remains with the individual local planning authorities. For example, the West of England JSP was signed-off at the end of October 2017 by the (non-statutory) joint board with a recommendation to each of the four authorities within the partnership to agree to the draft plan's publication⁶. Critically, the decision-making process for each individual authority followed on immediately to ensure that the plan could be prepared on a relatively quick timetable⁷.

⁶ See Item 9 of the West of England Joint Committee's Agenda, 30 October 2017 - <https://www.westofengland-ca.org.uk/west-england-joint-committee/>

⁷ Where governance structures on statutory joint plans rely on individual authorities, it is important for all decision-making timetables to be aligned as this can potentially add a significant amount of time to the plan-preparation process.

- 2.14 In addition to statutory joint plans, some groups of local authorities are progressing non-statutory planning frameworks to ensure that all local plans within a defined strategic area are delivering a shared strategy. This will become increasingly important as local authorities prepare their new Statements of Common Ground. The focus of the non-statutory frameworks tends to be strategic infrastructure priorities, but they are also being used as key evidence to support the Duty to Cooperate and demonstrate a sound approach to strategic planning matters. These clearly add value in the absence of a more formal approach to strategic planning and many have been developed to fill the gap left by the abolition of regional strategies. The context is changing now, however, and there is a preferred model emerging from Government and significantly more advantages being offered to prepare a statutory joint plan.
- 2.15 Figure 3 below provides some examples of groups of authorities who are working together to deliver strategic planning priorities. However, it is worth noting that, largely as a result of the changing national context with regards to joint planning, many of those groups within the middle box of the spectrum are either currently exploring a potential move to a joint plan, or are in the process of a transition to a joint plan. Further details of some of these examples are provided in Annex 2.

Figure 3: Spectrum of current strategic planning activity



Statement of Common Ground

- 2.16 Another key government proposal aimed at strengthening strategic planning is a new requirement for all local planning authorities to prepare a statement of common ground (SCG) with other authorities within their HMA. This will be the main evidence used at local plan examinations in future to demonstrate compliance with the Duty to Cooperate and the proposed new 'tests of soundness' referred to in Paragraph 2.3.
- 2.17 Each local authority will be required to prepare a draft SCG within 6 months of the revised NPPF being published (expected late Spring 2018) with a final version signed by

all partners 6 months later. However, this is to be a 'living document' and will therefore be updated as local plans within the HMA (or joint local plan) progress. Although the main partners will be the local planning authorities, there is a clear expectation that county councils in two-tier areas will be a signatory, given their extensive infrastructure role, and their minerals and waste planning responsibilities.

- 2.18 The main focus of the SCG will be overall housing provision and how this is to be distributed within the HMA, and the key infrastructure that will be needed to support this. However, it should also include other strategic matters that impact on the HMA, setting out how these will be managed. The Government is unclear about how this new concept will work for areas on the edge of large cities, such as London, where plan-making is undertaken on a different basis. This is something the South West Herts Authorities will have to consider in scoping out their SCG; it may require a specific SCG between the Authorities and the GLA/adjoining London Boroughs. There is also potentially a need for a separate SCG between some of the South West Herts Authorities and neighbouring areas where HMAs overlap, for example Welwyn Hatfield, and possibly with authorities within the Oxford-Milton Keynes-Cambridge Growth Corridor⁸ given the significant amount of development that is proposed here and the potential impact this could have on neighbouring areas.
- 2.19 There is no template for a SCG; the Government's consultation document sets out the minimum requirements but a bespoke approach within each area is expected to be developed. A useful starting point for South West Herts Authorities to consider is set out in Annex 3. In addition, the West of England Authorities prepared a pre-commencement document at the start of their JSP process and this is a useful example of some of the things that could be included in a SCG.⁹

⁸ The Government announced in the November Budget that 1 million new homes will be built within the Oxford-Milton Keynes-Cambridge Corridor between now and 2050, in response to a recommendation by the National Infrastructure Commission.

⁹ West of England JSP Pre-commencement document - <https://s3-eu-west-1.amazonaws.com/so-welep-uploads2/files/JSPS/JSPS%20PCD%20v12.pdf>

3 Key issues for South West Hertfordshire Authorities to consider

What would a joint plan look like for South West Hertfordshire?

- 3.1 There is a clear direction of travel emerging from Government with a more formalised approach to strategic planning being strongly encouraged through statutory joint plans. Although there is still the option of developing a non-statutory framework to guide future local plans within South West Herts, there are potentially significantly more advantages arising from preparation of a statutory joint plan for the HMA. These can be summarized as follows:

A joint strategic plan for South West Hertfordshire will:
<ul style="list-style-type: none"> • provide a more effective way of place-shaping, providing a bigger canvas to direct development to the right areas that deliver growth and that are (or can be) supported by the right infrastructure.
<ul style="list-style-type: none"> • deliver immediate and potentially significant cost savings as a result of a combined plan-making process (e.g. LP examinations; public consultation and stakeholder engagement; evidence-base) and a more efficient and effective use of staff resources.
<ul style="list-style-type: none"> • increase funding opportunities and secure wider support from Government, with a strong emphasis on joint plans in all DCLG bidding processes (e.g. Housing Infrastructure Fund, Joint Working Fund).
<ul style="list-style-type: none"> • help LAs manage housing delivery more effectively e.g. the Government is proposing to allow 5 Year Land Supply and Housing Delivery Test to be managed across strategic areas where there is a joint LP.
<ul style="list-style-type: none"> • provide a more robust and coherent basis for managing the impact of growth outside SWH, particularly as a result of the emerging London Plan and the Oxford-Milton Keynes – Cambridge Growth Corridor.
<ul style="list-style-type: none"> • help deliver a technically sound and legally compliant planning framework for SWH through examination (i.e. meet the Duty to Cooperate and new ‘tests of soundness’).
<ul style="list-style-type: none"> • demonstrate to Government that there is serious intent to move forward positively and quickly with local plans, ensuring that SWH Authorities remain in control in response to the local plan intervention threat faced by St Albans, which may result in a Secretary of State direction to prepare a joint plan with adjoining areas.

- 3.2 All the South West Herts Authorities are at a similar, early stage in reviewing their local plans. There is therefore a perfect opportunity to move to a joint plan without compromising individual local plans. The proposed new SCG provides a useful opportunity for the councils to manage this transition and develop a robust response to the challenging strategic issues the area faces in the short, medium and long term. Within the framework provided by the SCG, the key issues that the councils will have to address are as follows:

- **What would a sustainable, long term vision and strategy look like** for South West Herts? What are the strategic issues affecting the ‘sum of all parts’, and what would be a coherent proposition around ‘growth’? The Government’s focus is clearly

on housing numbers but there are other aspects of 'growth' that need to be taken into account.

- **What is the area's contribution within the wider context** i.e. its relationship within the wider Hertfordshire area, in terms of the links with the Oxford-Milton Keynes – Cambridge Corridor, and with London? Although less certain, it would also be worth taking into account the potential growth arising from Crossrail 2 and its impact on the wider Hertfordshire area in the longer term.
- **What would a shared response be to the key messages emerging from current and recent individual local plan consultations** (e.g. addressing the infrastructure deficit, lack of affordable housing, protection of the Green Belt)?
- **What would the housing target be for the HMA**, taking into account the strategic priorities/vision, national policy requirements and delivery issues (including infrastructure needed to support growth and capacity of the housebuilding industry)? The current estimated level of need set out in the SHMA(s) would already deliver a significant boost to housing (as required by NPPF), compared to the regional strategy, but is the baseline level of need indicated by the Government's proposed new common methodology a step too far? If so, what justification would be given to deviate from this, given that it is supposed to be considered a 'starting point' in calculating a local plan housing target? If there is an appetite to go beyond the level indicated by the SHMA to support a shared vision, what would the 'asks' from Government be to support this – e.g. a bespoke Housing Deal? Can the authorities have a more direct approach to addressing affordability issues e.g. through using their own land or through a joint development company¹⁰.
- **What would the local industrial strategy for Hertfordshire mean** in terms of economic priorities within South West Herts?
- **Where are the strategic development opportunities** and what models of delivery are most appropriate e.g. garden communities, locally led development corporations?
- **What are the strategic infrastructure priorities** and how will these will be delivered? Is there a need for a Local Transport Plan for South West Herts aligned with the joint 'spatial' plan?
- **What are the other shared strategic priorities** and how could these be addressed through a joint plan i.e. what would the plan's scope be?
- **What timescale should be used for a joint plan?** Many local authorities are working to a long-term vision (2050) due to the need for major infrastructure investment and strategic developments (e.g. new communities) but acknowledge that this will be delivered in short (2020-2030), Medium (2030-2040) and long term (2040-2050) periods. How should a joint plan reflect this?
- **What are the risks to delivery of the strategy?** For example, funding to support infrastructure, changing political priorities, both locally and nationally, changing external context and influences, including Brexit), planning resources, and how will these be managed over time?

Governance and working arrangements

¹⁰ See recently published report on Local authority direct provision of housing - <http://rtpi.org.uk/media/2619006/Local-authority-direct-provision-of-housing.pdf>

- 3.3 A joint plan that is delivering the shared spatial priorities of a long-term vision needs to be developed alongside other key delivery frameworks, particularly in terms of transport and infrastructure, and the new Local Industrial Strategy. Any governance structure should therefore ensure that the Leaders and Portfolio Holders are fully engaged in the process to steer the wider corporate objectives and priorities. Many local authorities are working together to manage this wider growth agenda, with the planning framework (whether non-statutory or a joint plan) nestled within this (see case studies in Annex 2).
- 3.4 However, given the urgent need to progress local planning in St Albans and the potential threat the intervention process could have for other authorities within South West Herts (i.e. Secretary of State direction to prepare a joint plan), the priority should be to establish the following as soon as possible:
- 1) Whether there is an appetite to work more formally on joint planning in South West Herts and what this means in practice i.e. a non-statutory framework or a statutory joint local plan.
 - 2) What the overarching vision for the joint framework/local plan would be.
 - 3) What the scope of this would be and how it would be delivered, using the Government's proposed statement of common ground to manage the process.
 - 4) What governance and working arrangements would be needed (see case studies in Annex 3 for some useful examples).
- 3.5 Whilst some of this could be addressed at an officer level, some of the critical issues will need to be addressed at a political level before progress can be made. It is therefore recommended that, as soon as practically possible, an initial Members' workshop is arranged to explore these issues and decide on an appropriate way forward. Two key issues to consider from experience elsewhere is how to secure ownership of the planning proposition from the leadership of each partner authority, and how to ensure continuous buy-in from the wider council membership. For example, in Case Study 3 (Annex 2), the Greater Exeter Authorities have a steering group of Members but also have a Members Reference Forum, a cross-party group comprising 5 Members from each authority, used to ensure ongoing wider support from each partner.
- 3.6 In terms of officer support, whilst there are different options for managing the work, from a matrix management model to a fully convened joint team, the main lessons and experience from other areas are as follows:
- It is vital that the work is steered at the highest possible level given the links with wider corporate priorities.
 - Form should always follow function; agree what the scope of the plan is first before thinking about how the process.
 - Strong project management is needed, particularly where matrix management arrangements are being used instead of a dedicated team. This is an area that the Councils may wish to bid for through the Government's new capacity fund to support joint planning.
 - Whilst it is always better to build on existing working relationships in order to transition quickly, there needs to be a flexible approach to respond to changing circumstances (e.g. relationships mature, resources/ personnel change). In Case

Study 3 (Annex 2), the Greater Exeter Authorities started with a matrix management approach but have recently seconded personnel from each of the authorities into a shared team, hosted by one of the authorities.

- A skills/ capacity audit should be undertaken to make sure all partners are aware of where there is capacity and where the skills/expertise lie. This will inevitably expose some gaps which will need to be addressed. A commitment to resourcing the joint work should be secured through an MoU.

4 Managing strategic site delivery

- 4.1 The Councils are already working on strategic sites within the HMA and some of these will have implications for more than one authority, for example, the eastern expansion of Hemel Hempstead. It is always desirable to develop these after the principle has been secured through a strategic framework but in some cases, these may be advanced at a quicker pace due to pressures from landowners or developers. The following paragraphs set out some good practice advice to help delivery of the current planned sites and any future sites taken forward as part of joint planning arrangements.

The national context

- 4.2 Many councils are now delivering strategic (greenfield) sites and new garden communities (villages and towns) to support the higher level of housing growth expected from Government. This is also a result of changing long term spatial priorities, such as reducing capacity within existing urban areas and maximizing the ability and opportunities to address infrastructure capacity issues. There is now stronger Government support (and funding¹¹) being offered to those authorities delivering new communities, with a more proactive approach likely to be advocated in the review of NPPF.

“Our vision for Garden Villages and Garden Towns have been well received by planners and residents alike. But should we now be more bold, taking the concept to the next level and creating larger Garden Cities?”

[Sajid Javid, 16 November 2017]

- 4.3 Until 2012 strategic sites were managed through the statutory strategic planning process (regional strategies and structure plans before that) which provided the context and justification for the sites. Under the current system, where there is an emphasis on locally-led sites, local authorities are using a range of different mechanisms to ensure that there is a framework, for example:
- a statutory joint local plan (as in North Northants JLP);
 - a non-statutory planning framework and MoU (as in West Berkshire - see case study in Annex 5); or through
 - aligned strategies (as in North Essex)
- 4.4 All of these examples are included in the work the Town and Country Planning Association (TCPA) has been doing to support the development of strategic sites through its New Communities group¹². But there are certain pre-requisites common to all which should be considered by the South West Herts Authorities. These are:
- A clear strategic context for sites to ensure infrastructure is integrated with the wider development needs and to provide clarity in terms of why development is needed.

¹¹ Neighbourhood Planning Act 2017 allows the establishment of local-led development corporations to deliver new communities.

¹² <https://www.tcpa.org.uk/new-communities-group>

This will also help justify 'exceptional circumstances' for releasing Green Belt, where relevant.

- Timescales for delivery, especially if this goes beyond proposed plan periods;
- A clear plan for implementation - how it will be developed and who is responsible for managing the process.
- Strong local leadership which is a key component of success, with clear governance and working arrangements.

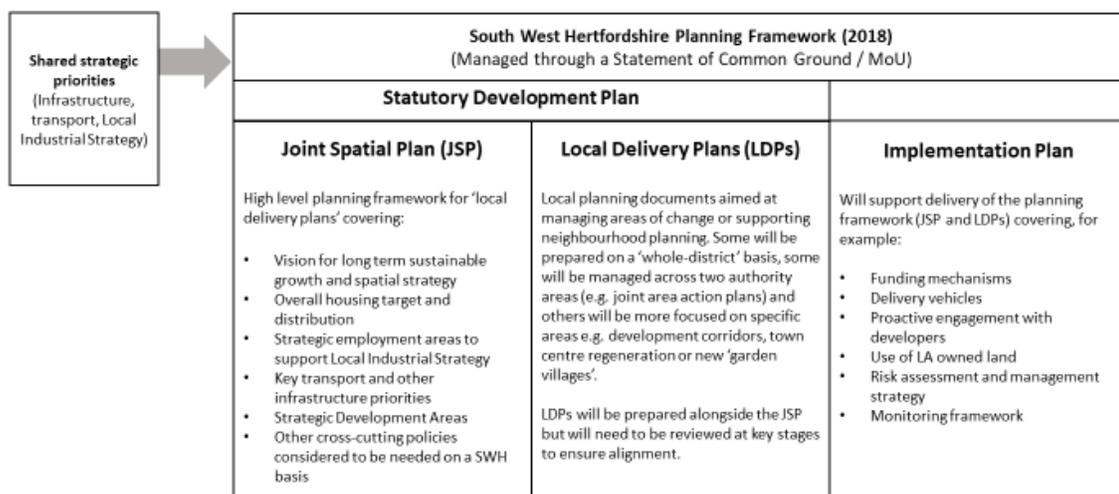
4.5 Given the wealth of experience and learning now being developed in other parts of the country and through the TCPA as a champion for Garden Cities, it is recommended that the Councils invite the TCPA to speak to them about their experience. It would also be useful to have someone from the West Berkshire Authorities to talk about their experience in delivering strategic cross-boundary sites. This can then be used to inform the wider framework (joint plan) and any decisions about strategic sites being progressed through this.

4.6 A key issue for all Councils within South West Herts is whether there is currently the right skills and experience to support the delivery of strategic sites in any of the authorities and whether this could be shared across the HMA. In the longer term, if strategic sites are to be a key part of the overarching strategy for supporting growth, the Councils may wish to consider whether a dedicated team is a more effective and efficient way of supporting this, or at the very least, whether a strategic sites co-ordinator / housing delivery coordinator is needed as a shared resource. It is also worth having a discussion with Homes England (formerly Homes and Communities Agency) which was recently given significant new funding in the Autumn Budget to support the delivery of large sites.

5 Conclusions and recommendations

- 5.1 Since the beginning of 2017, the Government has given a clear indication that its preference is for statutory joint plans to be used to address strategic planning issues across HMAs, and is focusing all its support on those local authorities willing to go down this route. The Government has also demonstrated that it is serious about local plan delivery by initiating intervention proceedings against 15 local authorities, including St Albans. As one of the main mechanisms of local plan intervention is to direct the relevant local authority and its neighbours within an HMA to prepare a joint plan, this has a significant bearing on how all authorities within the South West Herts HMA progress their local plans.
- 5.2 At the same time, the Authorities recognise the, potentially significant, benefits from working more effectively together, and as they are all at a similar early stage in local plan preparation, there is an opportunity to transition to a joint plan, prepared as part of a ‘portfolio approach’ (see Figure 4) relatively smoothly and quickly. However, work would have to be initiated in the absence of any specific guidance from Government around the new plan-making framework (which is not due until Spring 2018) but there is helpful experience emerging from those authorities that are pioneering the new ‘strategic’ approach.

Figure 4: Illustrative South West Hertfordshire Local Plan ‘Portfolio’



- 5.3 Regardless of whether the South West Herts Authorities decide to move to a joint plan or not, the new system (Statement of Common Ground and new ‘tests of soundness’) will mean that the Duty to Cooperate will in future be a ‘duty to agree’. The Authorities will therefore have to decide together what the overall housing target for the HMA is, and how this is going to be distributed to each of the individual local planning areas. Doing this through a joint plan will, however, provide a more stable context for this, potentially challenging process.

- 5.4 Decisions on both scale and distribution of housing will also need to be taken within a coherent, long term strategy with clear strategic spatial, infrastructure and economic priorities. In terms of distribution, there will be different options which will be dictated by overall strategic priorities. For example, will the strategy be focused on 'mitigation', with the aim being to address the impact of meeting assessed needs or will it be 'growth' focused with an objective to deliver significantly more than assessed needs? There is some flexibility around this, provided that the authorities can demonstrate an uplift in housing over previous targets (e.g. the East of England Plan allocations) to satisfy national policy requirements (in the NPPF).
- 5.5 There will also be different options in terms of how this plays out on the ground and over the lifetime of the plan, for example, as urban capacity decreases, new strategic infrastructure is put in place, opening up additional opportunities for development, or delivery of strategic sites is progressed. It is therefore recommended that any long term strategy reflects the different delivery phases, and that these in turn are reflected in the more local delivery plans.

Recommendation 1

That a Member workshop for the South West Herts Authorities of Dacorum, Hertsmere, St Albans, Three Rivers and Watford is arranged as soon as possible to consider:

- 1) Whether a statutory joint plan for the HMA can be progressed to deliver a shared set of long term strategic priorities.
- 2) What the most appropriate governance and working arrangements would be to initiate work on this as soon as possible (mindful of the threat of Secretary of State intervention) and how buy-in can be secured throughout the plan-preparation process from all local authority members.
- 3) What the scope of a Statement of Common Ground should be for South West Herts and how work on this should be progressed, including any transitional arrangements.
- 4) Whether there is a need for a written agreement (e.g. MoU) to be drafted to support the new joint planning arrangements, including the level of resources needed.

Recommendation 2

Given the wider implications for Hertfordshire as a whole, particularly in terms of infrastructure and the economy, the Councils should consider how the County Council and LEP are engaged in the process, including whether they are represented at the workshop proposed in Recommendation 1, and their ongoing role in developing the SCG.

Recommendation 3

That officers consider submitting an expression of interest to the Government's Planning Delivery Fund to support joint working, launched on the 5th December. This could include, for example, a bid for support for short term co-ordination support and in the longer term a 'Development Plan Project Director and a 'Housing Delivery and Strategic Site Director'.

Recommendation 4

The Councils should undertake a skills and capacity audit to determine where existing resources and skills are within the organisations (including HCC and the HLEP), and where there are any potential gaps. This should then inform the budget needed to prepare a joint plan and the risk management plan developed as part of the SCG.

Recommendation 5

The Councils should invite representatives from the TCPA and the West Berkshire Authorities to explore good practice in delivering strategic sites in order to inform currently planned sites, and any future sites taken forward as a result of joint planning.

Recommendation 6

The Councils should include large site delivery as part of the skills and capacity audit recommended in Recommendation 4, to explore where there are potential opportunities to share resources and to expose any gaps that need to be filled.

Catriona Riddell, POS Enterprises Consultant

21 December 2017

Annex 1: The national context for joint local plans (2017)

- **Housing White Paper** (February 2017): Proposed new style 'strategic' local plans to be introduced; effectiveness of joint working to be taken into account in new Housing Delivery Test; all local planning authorities required to prepare a statement of common ground (SCG) setting out how they have worked together and how they have resolved strategic matters within the HMA, particularly on infrastructure and housing provision.

"...we would like to see more and more local authorities working together to produce a strategic plan over a wider area on the functional economic geography that is right for their part of the world..."

[Gavin Barwell, Minister for Housing and Planning]

<https://www.gov.uk/government/collections/housing-white-paper>

- **Neighbourhood Planning Act** (May 2017): Local authorities are required to identify their strategic priorities with policies set out in their development plan documents (taken as a whole) to address these. Provisions also included in the Act to allow the Secretary of State to direct the preparation of a joint local plan where this would "*facilitate the more effective planning of the development and use of land in the area*".

<http://www.legislation.gov.uk/ukpga/2017/20/part/1/crossheading/local-development-documents/enacted>

- **Housing Infrastructure Fund** (July 2017): New £2.3b fund launched to support infrastructure delivery, with emphasis given to joint planning as a priority factor in the bidding process.

"We want to fund those schemes that take a strategic approach, with strong local leadership and joint working to achieve higher levels of housing growth...."

[HIF prospectus]

<https://www.gov.uk/government/publications/housing-infrastructure-fund>

- **Right homes in the right places** consultation document (September 2017): Set out further details of HWP implementation including, new housing needs methodology; details and timetable for preparation of Statement of Common Ground, with pilot authorities invited; More incentives offered to local authorities progressing joint local plans in relation to the HDT and 5 year land supply calculations; new 'tests of soundness' introduced for local plans to demonstrate effective strategic planning across HMAs.

"...today we're also publishing a requirement for a "statement of common ground", a new framework that will make cross-boundary co-operation more transparent and more straightforward."

[Sajid Javid, Secretary of State for Communities & Local Government]

<https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

- **Secretary of State local plan intervention** (November 2017): SoS announces the Government's intention to intervene in plan-making in 15 local authorities (including St

Albans). Key factors to be taken into account in final decisions (expected early 2018) are local plan progress and the extent of joint working.

“My decisions on interventions will also be informed by the wider planning context in each area (specifically the extent to which authorities are working cooperatively to put strategic plans in place)”

[Sajid Javid, Secretary of State for Communities & Local Government]

- **Autumn Budget** (November 2017): As part of the Budget, the Government announced that the Oxfordshire Authorities would be preparing a joint local plan to support a new Housing Deal; that a new ‘strategic infrastructure tariff’ was being considered for combined authority areas and areas with joint local plans; and provisions of the Neighbourhood Planning Act 2017 to allow the SoS to direct the preparation of joint plans to be implemented immediately (one of the mechanisms for government intervention).

<https://www.gov.uk/government/topical-events/autumn-budget-2017>

- **Industrial Strategy White Paper** (December 2017): White paper setting out how Government intends to implement its Industrial Strategy and the important role ‘place’ and infrastructure should play in supporting growth, with an emphasis on local authority collaboration. LEPs and CAs to be responsible for preparing local industrial strategies. Although the focus is on rebalancing Britain more housing deals are on offer in areas of high demand and two key growth areas in the South were confirmed (Oxford-Milton Keynes- Cambridge Corridor and in the Thames Estuary).

“We want to support greater collaboration between councils, a more strategic approach to planning housing and infrastructure, more innovation and high-quality design in new homes and creating the right conditions for new private investment.”

[Industrial Strategy White Paper]

<https://www.gov.uk/government/policies/industrial-strategy>

- **Joint planning capacity fund** (December 2017): The new fund, initially announced in the HWP, was launched to support those local authorities progressing (or moving towards) a joint local plan. The fund will cover the period 2017/18 to 2018/19 initially and aims to encourage *“more and better joint working, across local authority boundaries, ensuring that there are the skills and capacity where they are needed to plan strategically for housing growth, and to manage delivery of new homes and infrastructure”*.

<https://www.gov.uk/government/publications/planning-delivery-fund-prospectus>

Annex 2: Strategic Planning Case Studies

Case Study 1 Cambridgeshire & Peterborough Mayoral Combined Authority

Strategic geography/ partnership

Districts of East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire, Cambridge City Council, Peterborough City Council (UA) and Cambridgeshire County Council.

Governance and working arrangements:

The Cambridgeshire Authorities and Peterborough City Council have a long-established history of working together which has served them well, particularly in strategic planning as they moved from one planning system to another. This partnership has endured through the abolition of the structure plan and regional strategy, into the NPPF based system. As part of the legacy, there is an acceptance that growth is necessary, as long as this is planned growth.

In 2012 the authorities agreed a Joint Statement on the development strategy for the area and started to develop a common evidence base to support this and the local plans. A new dedicated 'cross party' group was established to steer the work on behalf of the authorities – the Joint Strategic Planning and Transport Members Group. This was supported at a corporate level by the Public Service Board, which includes all the LA Chief Executives as well as other public sector Chief Executives, and a senior officers group. Working groups and project teams have also been used as and when necessary. A Joint Strategic Planning Unit (JSPU) comprising a project manager and project support, was established to provide impartial expert advice and to keep momentum on the work going forward.

The joint work was based on the principles that it would focus on strategic issues and that it would respect the sovereignty of local plans and other local strategies. The purpose of the joint arrangements was to:

- Manage and influence issues across administrative boundaries, focusing on the local plans but including the LEP's economic evidence base and strategy and other housing and transport strategies.
- Deliver spatial and infrastructure priorities across the area, underpinned by a shared evidence base (e.g. an assessment of housing needs across the area).
- Coordinate local plan reviews and provide support on the Duty to Cooperate.
- Provide a neutral space for discussion and mediation between the authorities.

In 2013, collaboration on strategic planning and infrastructure issues resulted in the production of a Memorandum of Cooperation (MoC) which sets out an agreed vision, a set of objectives for long term growth (2031), including an overall housing target and distribution. The MoC provided the strategic framework within which the local plans are being prepared and has been used to successfully take these through examination and demonstrate the Duty to Cooperate.

In 2017, the new Cambridgeshire and Peterborough Combined Authority was established with its first Mayor, James Palmer elected in May. The Mayor and CA has considerable responsibilities for economic development, housing delivery and skills, and in July 2017, agreed to prepare long term framework for strategic planning and infrastructure and the first joint Local Transport Plan for Cambridgeshire and Peterborough. However, unlike the joint plans being prepared in other Mayoral CA areas, the spatial plan will be non-statutory, providing a framework within which each of the authorities' local plans will be prepared. Work on the plan will be steered by a senior member and officer group comprising the CA Strategic Planning Portfolio Holder, the CA Chief Executive and the relevant local authority Directors. An officer delivery

team comprising local plan managers and the relevant County Council officer is responsible for preparation of the plan on behalf of the CA.

In order to provide a framework for local plans as soon as possible and to manage the transition effectively, Part 1 of the spatial plan will be completed by February 2018 and will reflect existing local plan strategies, and Part 2 will set out the development context to 2050 (draft by end 2018).

Cambridgeshire and Peterborough Mayoral CA: <http://cambridgeshirepeterborough-ca.gov.uk/>
CA Meeting 26 July 2017 (Proposed Spatial Plan – Item 2.8, P. 125):
<http://cambridgeshirepeterborough-ca.gov.uk/assets/Combined-Authority/Combined-Authority-July-2017-Agenda.pdf>

Case Study 2: West of England Joint Spatial Plan

Strategic geography / partnership

Unitary Authorities of Bristol, Bath and North-East Somerset and South Gloucestershire. North Somerset Council is not part of the Combined Authority but is a partner in the Joint West of England Committee which is responsible for the Joint Spatial Plan for West of England (JSP). This also reflects the LEP geography.

Governance and working arrangements

The Mayoral Combined Authority was established in shadow form in 2016 and was formally constituted in 2017 with the first Mayor, Tim Bowles, elected in May 2017. Whilst the CA has statutory powers over business, skills and infrastructure, it has no statutory responsibilities for strategic planning. This is steered through the West of England Joint Committee which is a formally constituted advisory body which works in partnership with the LEP and comprises the Leaders of the four authorities and the CA Mayor.

In 2014 the four unitary authorities agreed to take forward a statutory joint local plan and a joint local transport plan. The Joint Committee which has strategic oversight for the work and provides political ownership, but final decision-making rests with the individual authorities. The work is managed by a Programme Board (LA Directors of Development, Environment and Transport, and LEP CX) and a Project Board (Heads of Service, Project Manager and Project support officers), which has responsibility for a number of workstreams (planning, engagement and transport).

The draft (Regulation 19) West of England Joint Spatial Plan was endorsed at the Joint Committee on the 30th October 2017 and has now been published for consultation, following formal sign-off by each of the individual authorities. This is the first of the new generation strategic joint plans to reach this advanced stage and is the model government are keen to encourage others to take forward. Critically it has a very narrow focus with a clear scope to address only the genuinely strategic matters which affects all of the authorities. The plan therefore only has seven policies covering the following issues, and is supported by a 'key diagram; setting out the general extent of the strategic areas but does not allocate sites (which is the responsibility of more detailed development plan documents):

- Policy 1 – The Housing Requirement
- Policy 2 – The Spatial Distribution
- Policy 3 – The Affordable Housing Target
- Policy 4 – The Employment Land Requirement
- Policy 5 – Place Shaping Principles
- Policy 6 – Strategic Infrastructure Requirements
- Policy 7 Strategic Development Locations Site Requirements

More detailed plans to allocate sites are progressing on a similar timetable to ensure that the higher-level objectives can be delivered. These are the responsibility of individual local planning authorities.

Further Information:

West of England Combined Authority: <https://www.westofengland-ca.org.uk/>

Joint Spatial Plan committee papers (Joint Committee 30.10.17): <https://www.westofengland-ca.org.uk/west-england-joint-committee/>

Joint Spatial Plan: <https://www.jointplanningwofe.org.uk/consult.ti>

West of England LEP: <http://westofenglandlep.co.uk/jsp>

Case Study 3: Greater Exeter Joint Strategic Plan

Strategic geography/ partnership

Exeter UA, Districts of East Devon, Teignbridge and Mid Devon, and Devon County Council

Governance and working arrangements:

The Authorities have recently agreed (February 2017) to establish a Greater Exeter Growth and Development Board to lead on, amongst other things, effective collaboration between the local authorities on economic development, strategic planning and promoting growth. There are existing informal voluntary arrangements to support the growth agenda but the authorities felt that something more robust was needed to oversee strategic decisions, given the need to incentivise growth within a context of changing local government financing and the reduction of grant settlement. The new formally constituted Board will act as a single organisation with one strategy and decision-making process to oversee strategic decisions. Although the County Council initially decided not to participate in the proposed new arrangements, it is now likely to be a full member of the Board.

In July 2016 the Councils agreed to prepare a joint local plan to set the long term strategic planning and infrastructure priorities for the area. Key reasons for moving to a joint plan were:

- To address key strategic issues, such as housing and employment needs, more effectively on a functional basis.
- To ensure that sound and legally compliant plans are in place as soon as possible.
- A more co-ordinated approach would help secure government funding and investment, particularly in relation to infrastructure and large-scale developments that are linked to a clear strategy for housing and economic growth.
- An opportunity to make financial savings through having one local plan process; there is already some joint evidence but the joint plan will take this further with pooling of resources for commissioning and preparing evidence.
- Better use of skills and expertise within each of the authorities.

Work on the plan is currently led by a Member Steering Group comprising Cabinet Members from each of the authorities and is supported by a joint team of officers from each of the authorities and hosted by the City Council. A Member Reference Forum comprising cross party representatives from each authority (5 Members each) is used to provide a wider advisory forum at key stages of plan preparation. These arrangements may change once the Growth and Development Board is fully operational, but the final decision-making will remain with individual authorities.

Further Information:

Greater Exeter Growth and Development Board (Mid Devon Cabinet Meeting, 2 Feb 2017, Item 9): <https://democracy.middevon.gov.uk/ieListDocuments.aspx?CId=133&Mid=630&Ver=4>

Greater Exeter Strategic Plan: <https://www.gesp.org.uk/>

Case Study 4: Plymouth and South Devon Joint Local Plan**Strategic geography/ partnership**

West Devon DC, South Hams DC and Plymouth City UA

Governance and working arrangements

Growth of the area, particularly the city and its impact on the surrounding area, is a key issue for the authorities and led to the decision in 2016 to move to a joint local plan instead of three individual plans. This will be the main mechanism for managing long term growth, although it will take account of the wider, strategic context, such as the LEP's growth plan. The main reasons for the decision to progress a single plan were:

- A joint approach would allow overall housing numbers within the HMA to be allocated, delivered, monitored and reviewed within a shared and clearly defined spatial framework.
- More efficient use of resources, sharing skills and plan-making budgets.
- A simpler and more cost-effective process with one examination instead of three.
- A clear voice for engaging with regional bodies that guide funding decisions, e.g. LEP.

The work is underpinned by a Collaboration Agreement which sets out the scope of the plan, working and governance arrangements, resources, process and timetable (development plan scheme). It focuses on the strategic planning aspects of managing growth. Plan preparation is steered by a joint local plan steering group, comprising the relevant Portfolio but decision-making rests with the individual authorities. The work is being supported primarily through the existing officers' group but with additional external support when needed, particularly for the evidence base.

Following the decision to prepare a joint plan in February 2016, the Authorities moved forward very quickly as much of the work was already underway through the individual local plans. A consultation on policies and sites was held in June with submission of the draft plan expected in January 2018, followed by examination in Spring/Summer 2018.

Further Information

Collaboration agreement: <http://www.southhams.gov.uk/article/11769/Joined-Up-Approach-by-Councils-to-Plan-for-Development>

Joint Local Plan: <http://www.southhams.gov.uk/jointlocalplan>

Case Study 5: Suffolk Growth Strategic Planning and Infrastructure Framework***Strategic geography/ partnership***

Districts of Babergh, Forest Heath, Ipswich, Mid Suffolk, St Edmundsbury, Suffolk Coastal and Suffolk County Council

Governance and working arrangements

In 2014/15 the Suffolk Authorities established a Growth Board comprising all local authority Leaders and the East Anglia LEP, with the main role being to develop and implement a long-term growth strategy for the County. Following preparation of the Suffolk Growth Strategy, the authorities recognised that a more collaborative approach to strategic planning and infrastructure was needed to help deliver the housing, economic development and infrastructure priorities set in the Growth Strategy. The same conclusion was also reached through the devolution negotiations that were taking place with the Norfolk Authorities which had highlighted the need for a coordinated approach to deliver the ambitious growth levels agreed by all authorities.

In 2015 the authorities agreed to prepare a non-statutory strategic planning and infrastructure framework (SPIF) which was to be developed within the context of the wider growth ambitions across Suffolk. The SPIF aims to guide the next round of local plans and long-term infrastructure investment priorities across Suffolk to 2050. Stage 1 of the SPIF was an assessment of current strategic priorities and potential future spatial options. Stage 2, recently completed, is a detailed assessment of the long term spatial option and infrastructure priorities, testing growth scenarios and different delivery models.

The SPIF work is steered by the Suffolk Growth Board which is a cross-service officer led group chaired by a Chief Executive and reports directly to the Suffolk Leaders. The Board has a wider remit as it also provides the main input to the New Anglia LEP's work on the strategic economic plan. A member working group comprising the relevant portfolio holders has responsibility on behalf of the Leaders to steer preparation of the SPIF more directly. The working group is supported at officer level, by a project team, comprising representatives from each authority and a dedicated project manager.

Annex 3: Statement of Common Ground – suggested template

Part 1: Strategic context:

- geographical extent and wider relationships;
- overall ambitions and strategic priorities i.e. those that affect the sum of all parts;
- key metrics e.g. housing need, past delivery, expected GVA growth;
- main delivery mechanisms i.e. single joint plan/ single LPs.

Part 2: Policy Scope and evidence base:

- key strategic matters to be addressed e.g. overall housing *target* and *anticipated* distribution as this may change as plans/plan develops; strategic infrastructure priorities; strategic employment opportunities; other e.g. GI strategy, G&T
- Main evidence-base to be used

Part 3: Decision-making & project management:

- What are the governance and working arrangements (resources)?
- Who are the key partners and are they signed up to the overall objective?
- How will strategic stakeholders/ Stat cons be involved?
- What are key timescales/ milestones and at what point are key decisions likely to be made?

Part 4: Risk assessment and management:

- Need to link to HDT/ HIF.
- Highlight key risks to delivering shared objectives and how these will be managed e.g. infrastructure not delivered, housing not delivered at anticipated rate, changing political priorities - locally or nationally, changing resources.
- Others with a key role in delivery - mechanisms to ensure delivery (e.g. MoUs, deals with government).
- Risks in terms of resources and any skills gaps, and how these will be managed.

Part 5: Monitoring and Review:

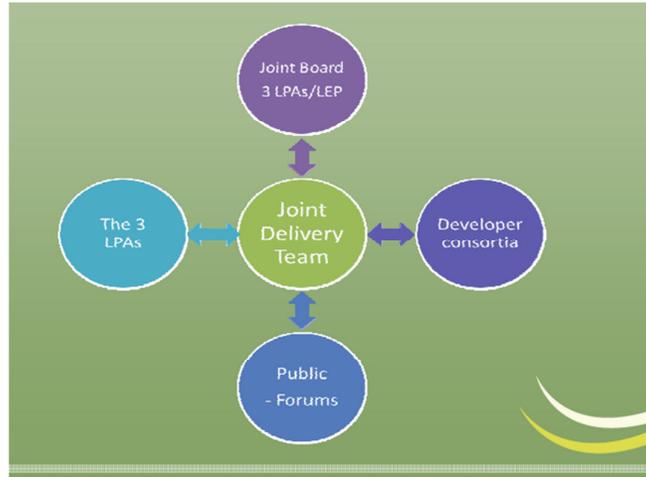
- Key indicators and milestones
- Monitoring of DtC (as currently done through AMR)
- Triggers fore review of SoCG (as highlighted through risk assessment)

Annexes

- Details of MoUs, deals, other agreements
- DtC activity table

Annex 4: Strategic cross-boundary site delivery- Case study: Grazeley Site (Wokingham, West Berkshire, Reading)

The three authorities are proposing a free-standing settlement of 15,000 new homes based on garden-city principles. The site straddles the boundary of both Wokingham and West Berkshire Councils. There are no formal joint planning arrangements, therefore the masterplan is being progressed within the context of an agreed non-statutory planning framework and Memorandum of Understanding which set out the strategic development opportunities and process for managing these.



Work on the West of Berkshire strategic framework and MoU was steered by a Chief Executives and Leaders group, building on the existing strong culture of collaboration (New Communities Board). Governance structures and working arrangements to progress planning for the development have therefore been kept simple (see diagram above).

The three councils are working closely with the landowners and the LEP to ensure that development is locally-led and infrastructure rich. The process is managed through monthly meetings in two parts; the first part with just the relevant councils and the second with the developers.

Although the technical work is being led by Wokingham Council, which has a dedicated 'delivery team' to support this site and other strategic sites, external experts are being used to provide advise the councils on the masterplan.

Further information:

<https://files.bracknell-forest.gov.uk/sites/bracknell/documents/west-of-berkshire-spatial-planning-framework-final.pdf?i1aKQTGgbfXp4gPmj2ChkYa3JYF5unaX>

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