

## **Joint Strategic Economic Committee**

### **Swindon and Wiltshire Local Enterprise Partnership**

**1 April 2015**

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#### **Commencement of preparation of New Joint Strategic Housing Market Assessment for Wiltshire and Swindon**

##### **1. Purpose**

- 1.1 To request the endorsement of Committee to proceed with the preparation of a new joint Strategic Housing Market Assessment and to commission independent consultants to undertake the work.

##### **2. Background**

- 2.1 Swindon Borough Council and Wiltshire Council (including as Wiltshire County Council), have a long history of collaborative working in relation to strategic planning that includes the preparation of the now revoked joint Wiltshire and Swindon Structure Plan 2016 and evidence for the former emerging Regional Spatial Strategy for the South West. More recently the Councils have produced and adopted joint development plans for Minerals and Waste matters.
- 2.2 The Councils have continued to work jointly on cross boundary strategic planning matters through the preparation of their respective Borough and County wide Development Plans - the Swindon Borough Local Plan and Wiltshire Core Strategy - including the development of shared evidence base in relation to growth at the west of Swindon. Both plans have horizon dates of 2026. The Wiltshire Core Strategy was adopted as recently as 20 January 2015 and the Inspectors final report, concluding that the Swindon Borough Local Plan is sound, was received on 5 February 2015. However, both Plans will need early review to extend the plan period to at least 15 years in line with the recommendations of the National Planning Policy Framework (NPPF). Indeed both authorities have informed their Inspectors that they are committed to reviewing the existing evidence base in the short term to inform the roll forward of the plan period beyond 2026. This was a key consideration in determining the soundness of both the Wiltshire Core Strategy and Swindon Borough Local Plan.

##### **3. The Project**

- 2.3 The first step in the review process is the preparation of a Strategic Housing Market Assessment (SHMA). The SHMA forms a key part of the evidence base for strategic planning and is particularly important for determining the objectively assessed housing need for a defined Housing Market Area (HMA). HMAs are essentially geographical areas that reflect key functional relationships between places that people choose live and work. HMAs rarely match administrative boundaries and so national planning policy<sup>1</sup> requires Local Planning Authorities to work together under a duty to cooperate<sup>2</sup>. As has been borne out through the local plan examinations

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<sup>1</sup> Paragraph 159 of the NPPF

and recent appeal decisions on land within Wiltshire to the west of Swindon, there are clear and demonstrable links between the Wiltshire and Swindon HMAs. It is therefore essential that this piece of work provides consistent and joined up evidence to provide a sound context for strategic planning over the next plan period.

- 2.4 It is important to note that in a SHMA the assessment of need for housing must be objective and free from constraints and other factors taken into account through preparation of planning policy. The housing requirements contained within future Local Plans for Wiltshire and Swindon can therefore differ from the objectively assessed need, where justified.
- 2.5 There is significant crossover of data required for the identification and assessment of HMAs and Functional Economic Market Areas (FEMAs). FEMAs are the basis upon which local economic policy should be applied and will form a useful evidence base for the work of the LEP. FEMAs often follow the same boundaries as defined HMAs. The SHMA can incorporate the identification of FEMAs but this will require an additional source of funding. Ultimately the additional work should, however, prove cost effective given that there will be a need to identify FEMAs for Wiltshire and Swindon. Whether this additional component of the evidence base can be funded by the S&WLEP budget is worth consideration by the Joint Strategic Economic Committee.
- 2.6 Expertise from in-house resources is there to help support the consultants in the preparation of a SHMA. However, the Councils do not have sufficient capacity to provide the resource required to deliver this work. To ensure consistency of approach and in the interests of maintaining objectivity it is therefore recommended that independent consultants are commissioned to undertake a significant proportion of the work, with input from the Councils where necessary.
- 2.7 The HMAs may also have functional links with other adjacent local authority areas and this will need to be explored through the preparation of the SHMA by ensuring that close dialogue is maintained with adjacent authorities throughout the process. Some of these local authorities are currently preparing SHMAs either jointly with other local authorities or for their administrative areas. The current position for the surrounding areas is shown in table 1.

**Table 1: Current position for adjacent local authorities**

<b>Local Authority</b>	<b>Current position</b>
Bath & North East Somerset (B&NES)	Published a SHMA in July 2013. B&NES were recently involved with the preparation of the West of England SHMA but not as a full partner. The plan horizon of the current SHMA for B&NES is 2031.
South Gloucestershire	Preparing a joint SHMA with Bristol and North Somerset (covering the 'West of England' area). The Joint SHMA is at an advanced stage and is currently awaiting publication of the latest DCLG

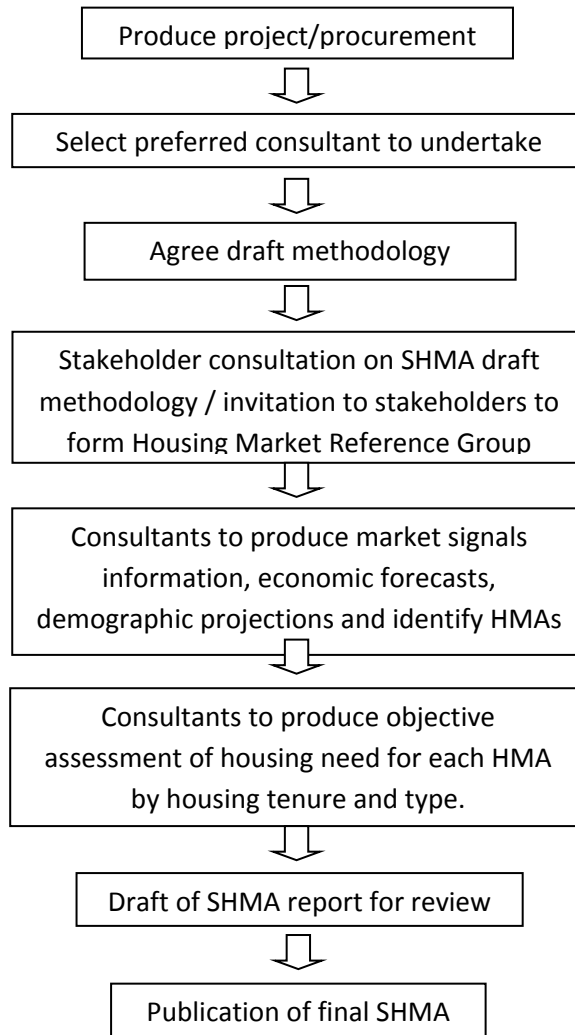
<sup>2</sup> Embodied in Section s20(5)(c) of the Planning and Compulsory Purchase Act 2004

	household projections. The joint SHMA is working to a plan horizon of 2036.
Mendip	Local Plan adopted in December 2014 with a plan horizon to 2029. Considered by the examining Inspector to be a relatively self-contained HMA.
South Somerset	Inspector's Report on soundness of Local Plan received 8 January 2015. The plan horizon for the Core Strategy is 2028. South Somerset Council is committed to bi-annual monitoring which could potentially lead to an early review of the Plan.
North Dorset	Commissioned a joint SHMA with Bournemouth, Christchurch, Poole, Purbeck, West Dorset and Weymouth & Portland. The North Dorset Local Plan is currently at Examination in Public (EiP) (with a plan horizon of 2026). East Dorset prepared a joint Core Strategy with Christchurch Borough Council (with a plan horizon of 2028). The Plan was adopted in April 2014.
East Dorset	
New Forest National Park	Core Strategy adopted December 2010 with a plan horizon of 2026. This pre-dates NPPF. Review of Core Strategy will not commence until the National Park Management Plan is updated. The work on the Management Plan is ongoing.
Test Valley	SHMA published Jan 2014. Highlighted potential relationship with Wiltshire in terms of military personnel based around the Salisbury Plain. Test Valley Core Strategy (plan period to 2029) currently at EiP.
West Berkshire	Core Strategy (plan period to 2026), adopted July 2012, pre-dating the introduction of the NPPF. No plans to prepare SHMA in the immediate future.
Vale of White horse	Consultation on Local Plan (plan period to 2031) concluded and plan will be submitted with an up to date SHMA, to SoS for EiP in due course.
West Oxfordshire	Oxfordshire updated SHMA (horizon of assessment to 2031) published April 2014. In light of the update West Oxfordshire are reviewing their Local Plan.
Cotswold District	SHMA published October 2014, identifies some commuter links with Wiltshire and Swindon. Local Plan review (plan horizon 2031) underway with submission to SoS for EiP timetabled for Winter 2015.

#### 4. Timescales

2.8 The proposed target for completion of the joint SHMA is April 2016, which is considered achievable if the procurement of independent consultants can take place within the next 8 - 12 weeks. The indicative timeline for the project is shown in Figure 1.

**Figure 1: Indicative timeline for preparation of Wiltshire and Swindon SHMA**



#### 5. Next steps

2.9 A clear benefit of jointly commissioning a SHMA is that the costs of the project are shared between the two authorities. How the costs are split between the authorities is yet to be agreed. This will be based on the breakdown of costs provided by the successful consultant in their submitted tender.

2.10 It is recommended that officers report back to JSEC once the initial evidence gathering and identification of the HMAs has been undertaken by the consultants. This stage will require detailed consideration of the extent that Wiltshire and Swindon will need to work with adjacent planning authorities under the duty to cooperate.

## **6. Conclusions and recommendations**

- 2.11 Both Wiltshire Council and Swindon Borough Council have committed to undertake an early review of their respective Local Plans. The first step in this process is the preparation of a Strategic Housing Market Assessment. Due to the functional links between Wiltshire and Swindon it is logical to produce a SHMA covering both authority areas. There are also clear financial benefits resulting from the authorities undertaking the work jointly.
- 2.12 The committee is asked to consider a formal request to the S&WLEP Board to fund the additional work leading to the identification of Functional Economic Market Areas as part of the SHMA project.
- 2.13 The preparation of the joint SHMA will take approximately 12 months to complete and it is proposed that this work should commence immediately. It is therefore requested that this Committee endorse the proposal and delegate authority to officers of Wiltshire Council and Swindon Borough Council to commence preparation of a joint SHMA for Wiltshire and Swindon starting with the procurement of independent consultants.
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