

Agenda Item 7

Oxfordshire Joint Spatial Plan/Strategy

Purpose of report

1. This paper provides an update on the work underway on the preparation of a Joint Spatial Plan / Strategy (OJSP/S) and highlights the drivers for and opportunities from joint spatial planning. It also sets out the issues that need to be addressed to progress the project.
2. The Growth Board, at its meeting on 29 March 2017, considered a report and outline project plan on the preparation of an Oxfordshire Joint Spatial Plan (OJSP) and resolved to approve the following:
 - a) Approve the project outline...as the basis for the preparation of a detailed project plan and business case for an Oxfordshire Spatial Plan;
 - b) That the (Executive Officer Group)EOG should engage with the (Department of Communities and Local Government) DCLG to explore the scope for the work in the OJSP to be supported as a pilot project for the Departments wider work on the (National Planning Policy Framework)NPPF;
 - c) That the (Growth Board Executive Officer Group) EOG should explore the key benefits for Oxfordshire which could be sought as part of a Spatial Plan;
 - d) That the EOG should engage as part of this process with (Department of Communities and Local Government) DCLG to resolve the housing delivery issues which are being experienced in different guises in various parts of the county.
3. Subsequent to this decision the following has taken place:
 - a) A draft outline business case proposing a project for the preparation of a Joint Spatial Plan was presented to Oxfordshire Chief Executives (CEOs) on 19 June 2017.
 - b) Discussions identified a number of issues that will need to be resolved as we take forward the project, regarding the status of the plan, decision making and governance process and how the work is resourced.
 - c) The Leaders met with Lord Adonis, Chair of the National Infrastructure Commission (NIC) on 6th July to discuss the work on the Oxford to Cambridge Corridor. Lord Adonis welcomed the work towards a joint approach to planning and advised councils in Oxfordshire to continue to explore how the Growth Board governance might be developed to support this approach. The NIC will be aiming to finalise their report in September and would welcome further input from Oxfordshire in line with that.
 - d) Following the General Election, advice from officials suggests that while the expected Housing and Planning Bill is not in the legislative programme, the direction of travel set out in the Housing White Paper encouraging joint plans will continue and that they are working on a revised national Planning Policy Framework (NPPF). DCLG officials remain keen to engage with Oxfordshire in discussions on piloting an approach to joint planning and a potential deal for Oxfordshire to support housing delivery.
 - e) Government have launched the prospectus for the Housing Infrastructure Fund and is inviting bids for funding by 29th September 2017. The fund will provide £2.3 bn investment in infrastructure to support housing delivery in areas of high demand. The HCA is encouraging Oxfordshire authorities to bid for this funding.
 - f) The Leaders participated in a facilitated session on 10th July to discuss joint working on growth. As a result of this discussion all the leaders agreed that momentum towards a joint plan/strategy should continue and that officers should continue the work in developing the project.

4. Accordingly, work is continuing to develop the proposals for a joint planning approach and CEOs have asked EOG to review and provide a technical appraisal of the relative merits and issues that underpin the decisions necessary to proceed with the spatial plan/strategy.
5. This report accordingly sets out the technical background necessary to build a business case that allows for a recommendation to the Growth Board to progress the joint working, recognising there are a number of issues that will need to be resolved as the work progresses.

Recommendation

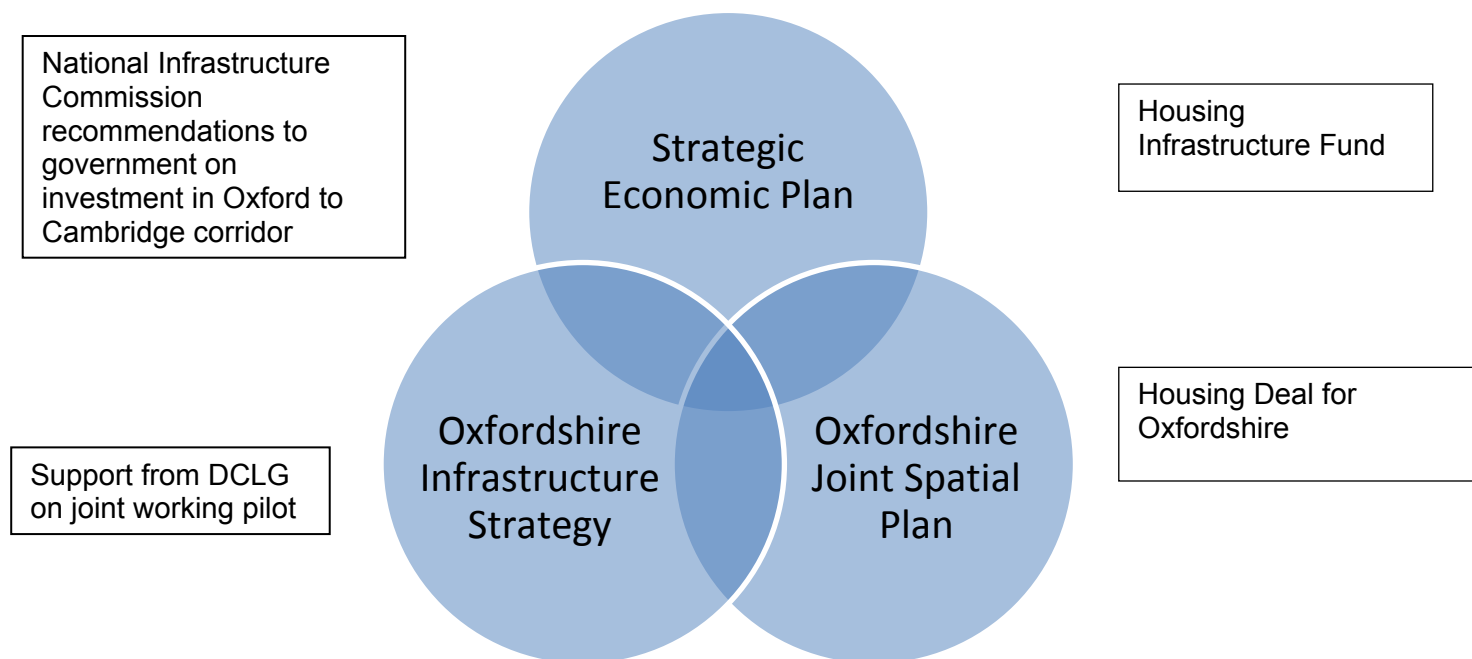
That the Growth Board:

- (i) *Approve the preparation of a business plan for an Oxfordshire Spatial Plan/ Strategy, to be presented to the Growth Board in September 2017, based on the flexible approach set out in this paper;*
- (ii) *Agree that the Leaders should take part in an appropriate discussion during the autumn to address issues needed to progress the joint approach.*

Background

6. The Growth Board agreement to work collectively on a strategic approach to planning for growth reflects a shared ambition to maximise the considerable potential for growth that could be delivered from Oxfordshire's unique knowledge economy. This will build on previous work of the Growth Board on agreeing apportionment of unmet need; and support the work in progress on Oxfordshire Infrastructure Strategy (OxIS) and the shared vision expressed in the Strategic Economic Plan (SEP). Together with OxIS and the SEP, a joint spatial plan/strategy (OJSP/S) will provide a coherent framework for sustainable planned growth for existing and new communities and a platform from which to secure funding for infrastructure needed to achieve the best outcomes for Oxfordshire.

Sustainable Planned Growth for Oxfordshire



7. The strong progress is being made toward the SEP targets of 85,600 jobs and 100,000 new homes by 2031 demonstrate the potential for economic and housing growth in Oxfordshire. There is therefore a compelling case for progressing both OxIS and an OJSP/S in a timely manner to plan for sustainable growth and to secure investment in the infrastructure required.
8. There are a number of strategic drivers and current opportunities that suggest both technical and tactical advantages from some form of joint spatial planning, summarised as:
 - a) Developing a strategic planning approach for Oxfordshire beyond current local plan horizons will allow us to properly seek out the greatest opportunities for sustainable planned growth for existing and new communities coordinated with the infrastructure requirements identified in the OxIS.
 - b) It will place Oxfordshire in a position to respond to the opportunities offered to us by the National Infrastructure Commission (NIC) proposals for the development of the Oxford to Cambridge Growth Corridor (O2C). The NIC work is a major opportunity to secure significant investment in infrastructure in Oxfordshire to support delivery of the economic and housing growth set out in the SEP. The NIC and DCLG officials are strongly encouraging the work on joint planning in Oxfordshire which is seen as an exemplar across the corridor.
 - c) It will support the development of a proposition for a housing delivery deal for Oxfordshire through which we are aiming to secure investment and flexibilities to deliver our housing targets. Discussions with DCLG indicate that joint approach to planning is both key to achieving the deal and providing confidence about future housing delivery. In addition it will support bids for funding (for example from the Housing Infrastructure Fund).
 - d) It will enable Oxfordshire to engage with the national direction of travel set out in the Housing White Paper, Industrial Strategy and the powers in the Neighbourhood Planning Act that indicates a joint planning approach is needed to align housing and infrastructure. This could help us to meet the challenges for Oxfordshire; this has been reflected in recent discussions with DCLG officials around joint working.
9. Given these drivers an OJSP/S would offer the following advantages to Oxfordshire:
 - a) It will build upon the soon to be completed OxIS and provide a framework for proactive infrastructure decisions, taking account of planned growth thus maximising the opportunity to secure funding for infrastructure and other measures to support development
 - b) It will provide long term growth options for Oxfordshire and set the strategic direction for growth - potentially to 2050 - a date that aligns to other regional planning policy initiatives such as the London Plan;
 - c) It will help to address the perceived “democratic deficit” by giving the public a clear overview of the county growth/development picture, thus enabling a better understanding of the growth trajectory for the county and an increased ability to engage in collective decision making;
 - d) It will enable the development of joint evidence base studies and consultation exercises to support the stages of the joint spatial plan/strategy offering both potential savings and consistency of approach when compared to each district commissioning its own;

10. The Growth Board recognised in March 2017 that these points all suggested that, from a technical perspective, the most effective way of addressing these challenges would be through the preparation of some form of joint spatial plan/strategy that will enable us to collectively develop an integrated, rounded set of planning propositions for Oxfordshire over the longer term. Within this approval however, there remain key issues that will need to be addressed as we develop the joint strategy:

- a) The scope of the plan/strategy
- b) The merits and consequences of producing either a Statutory or non-Statutory plan/strategy?
- c) The decision making and governance arrangements which are required to agree and deliver the joint plan/strategy.
- d) The resources required and arrangements for working together to deliver the project?

What should the scope of the plan/strategy be?

11. The scope of the plan/strategy is essentially a question of how far is it desirable for the new approach to move on from the work that the Oxfordshire Growth Board has previously overseen on identifying the quantum of growth to be delivered across the county, to addressing questions of directions and locations (sites) of strategic growth across the county.

12. Against this EOG have identified different scope options to be considered; these are:

- a) Firstly, a plan/strategy is based upon the production of evidence necessary to identify the level of growth needed to support population and economic growth across the county, together with an assessment of constraints and opportunities for growth delivery across the county. This document would be a high level strategy that identifies growth needs, constraints and opportunities and primarily serves to set a context for spatial planning below it. It would not be subject to Examination.
- b) Secondly and building on the work identified above, a plan/strategy could go further and identify and test high level areas of search or opportunity areas and options for growth. In this scenario, the work would give a high level identification, assessment and indication both of preferred strategic directions of growth and strategic development sites within the areas of search (and potentially alternative areas). This would provide investors/infrastructure providers an early indication on where development could go. Again it would not be subject to Examination.
- c) Thirdly, building on the work above, a plan/strategy could set out a county-wide spatial strategy and would seek to allocate strategic development sites. Initially this would be a roll-over of current local plan strategies but would then identify site specific allocations to meet future needs and any outstanding unmet needs, linked to existing and planned strategic infrastructure. These would be subject to examination and adopted as part of the development plan for Oxfordshire, the site allocations in the statutory plan would provide investors/infrastructure providers early certainty on where development will go. This document would be subject to Examination.

13. The view of EOG is that whilst all models have some merit, the first model highlighted would have only limited long-term use for Oxfordshire and would deliver smaller savings in time and effort in the plan making processes that all the councils would still need to be involved in. It would in effect be little more than a contextual strategy that sets some high level aims and ambitions for the county, based upon the evidence gathered and, although a material planning consideration it would have limited weight in planning decisions. The other options have progressively greater levels of detail that provide clarity and certainty around the locations of strategic growth delivery in the county, addressing these issues on a county wide basis.

Statutory versus Non statutory Plan/Strategy

14. The status of strategic framework – whether it will be a non-statutory or statutory document is an issue that will need to be agreed by the Growth Board at a point in the future. There are a number of issues to be considered in reaching this decision which will need to be worked through, including how the direction of travel set out by government before the General Election towards statutory joint plans will be taken forward.
15. Table 1 demonstrates that both approaches offer opportunities to be realised and issues that will need to be resolved.

Table 1: Table comparing Statutory and non-statutory approaches to spatial planning		
	Statutory Plan	Non-Statutory Plan
Merits	<ul style="list-style-type: none"> -Transparent and committed long term planning - It has weight in making future land use decisions and establishes best case for sustainable communities; -Only realistic way large new settlements could be planned from scratch as opposed to incremental build up; -Creates more certainty for future infrastructure funding commitments and development investments; -Would set Oxfordshire apart from others i.e. a real “offer” towards planning to meet future needs of Oxfordshire – should be part of an ask/offer deal with Government; -would require exemplar joint working on governance; -Joint policies more efficient in a joint plan 	<ul style="list-style-type: none"> -Transparent indicative approach to long term planning -Establishes some clarity on options for future growth and infrastructure support; - Allows the evidence to be shared and used to support joint policies in Local Plans -Does not require formal delegation of local powers – sovereignty retained; -Establishes some guidance for infrastructure funding and development investment decisions; -Similar to approach in model adopted by Cambridgeshire/Peterborough CA and others (e.g. South Essex);
Issues	<ul style="list-style-type: none"> -Will delegate powers away from local authorities to a joint committee; -Will be costly initially, but potential for savings in reduced local plan burden; -Not mandatory but officials advise this remains the direction of travel, and may become a criterion for receipt of some joint investment 	<ul style="list-style-type: none"> -Only very limited weight in plan making policy and examination. – Expensive joint working which not likely to reduce time and cost for Local Plans across the county; -Does not allow for joint policies to be shared in one document across the county - -Creates an evidence base which does not have to be followed, but will be tough to ignore, in local determinations -Not required – voluntary – hard to rationalise with local views about current growth. -Does not recognise the fact that the emerging direction of travel for government is the creation of joint plans and a move towards a statutory approach. There is therefore a risk that work would need to be

		<p>redone if there were a requirement for statutory plans. -There is also a risk that DCLG may not progress a pilot exercise on basis of non-statutory plan-making.</p>
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16. EOG's technical view is that the greatest planning weight will be attached to a statutory plan and process. It is also recognised however that at least in the initial stages of the project Oxfordshire could allow time to consider its position by starting the project with a flexible approach that allows us to progress the work in a manner that would support either a non-statutory or a statutory approach, for example developing a shared evidence base.
17. This is because, in the early stages of the project Oxfordshire will have considerable flexibility open to us- enshrined in the NPPF- in how we carry out the initial stages of plan production. This is because these stages are primarily concerned with gathering evidence, including assessing future needs, identifying the issues and potential options that should be considered during the strategy/plan making process and scoping both a Sustainability Appraisal and Habitat Regulations Assessment. Proceeding on this basis would allow for a non-statutory start to be made to the project with the decision to convert to a statutory process- if desired- being made later as the direction of government policy becomes clear.
18. This evidence gathering will need to include a new Strategic Housing Market Assessment (SHMA), which cannot commence until Government guidance on a standard methodology for the assessment of housing need is received.
19. If the Growth Board is minded to approve this flexible approach, officers will prepare a business case that will effectively allow the project to commence and not require a formal commitment to either a statutory or non-statutory route until we have reached a critical milestone to do so, which is some months away. This approach would continue under the supervision of the Oxfordshire Growth Board and would not need new governance arrangements to be set up, allowing progress to be made on the initial commissioning of new evidence and studies that would be needed under any circumstances.

What would be the best way of working together to deliver the project?

20. EOG consider that for a project of this size this work cannot simply be undertaken alongside the current planning policy work being undertaken by the councils and that additional resources and capacity will need to be put in place to deliver the OJSP/S.
21. EOG consider that there are two options for delivery of the project, these are:
 - a) External Planning Consultants are contracted to deliver the plan to an agreed specification and budget. Consultant teams will still need on-going management, contract supervision and support from the councils to deliver the project as well as the commissioning of specialist pieces of work as part of the OJSP/s evidence base.
 - b) The preparation of the project is completed by a dedicated team that would be established by the councils using a combination of secondments of officers with the necessary expertise (with back-filling in the parent council), short-term contracts and could include the creation of some graduate apprentice planner posts.

The advantages of option a) are:

- The councils can draw up a specification and act as client to ensure its delivery
- A budget can be allocated that ensures appropriate consultant resources are secured to deliver to the agreed specification
- Clear accountability and roles for the partners.

The disadvantages are:

- The project will be complex and long term, lasting over several years requiring a long term client side with a multi-contract management and support role for the councils
- The project is complex to specify as it contains a number of options points that will influence the scale and type of work required and this complexity and the resources that effective contract management will need can be more difficult when operating as a client (especially in a situation with multiple clients)
- The added value of the skills, knowledge and expertise involved in the team doing this work are ultimately lost to Oxfordshire.

The advantages of option b) are:

- The councils can allocate appropriate staff to what will be a long and complex project, thus keeping strong control of its pace and direction. The creation of a project team could help support other national and regional work of benefit to Oxfordshire councils (for example, maximising opportunities from the NIC O2C project).
- Retained local knowledge, skills and experience development crucial to the success of the project now and in future will be utilised
- Comparatively less time will be needed in briefing, managing and supporting consultants preparing the OJSP because of the local knowledge and familiarity that a mainly locally established unit would bring.

The disadvantages are:

- The project will require a commitment of budget, staff and management over several years; this will bring issues of both corporate commitments, potentially across elections and also possible staffing issues should staff for example move on or be unavailable
- a. EOG conclude that the primary driver for the projects delivery should be the need for the councils to be able to closely manage a long and complex process. The project will also require a lot of detailed local knowledge that sits within the councils existing officer establishment. For these reasons it would make little sense to hand the project to consultants who will inevitably draw heavily upon councils' expertise and capacity to complete the project.

22. EOG conclude therefore that the best way for the project for the development of the OJSP/S to be managed is by using existing in house expertise drawn from across the councils in a dedicated project team.

23. EOGs view is that, however configured, the project team should report to the Growth Board Planning Delivery Group (PDG), and ultimately account to the Growth Board as project sponsor. This accountability should be at a level sufficiently detailed to ensure that all councils are actively engaged in project management.

24. Discussions with DCLG over the potential for our work to be supported as a pilot project and DCLG interest in a potential housing deal are inextricably bound up in our commitment to progress joint planning. Accordingly we will want to reflect upon the impact of any decisions to propose either a statutory or non-statutory path for the OJSP/S upon these discussions.
25. To date, discussions with DCLG have been on the basis that a statutory Joint Spatial Plan may be part of our offer. If the Growth Board agrees the recommendation to take a flexible approach, we will need to make clear the agreed direction in our submissions to DCLG.
26. The Growth Board will recognise that the strength of the “ask” would be aligned to the “offer”. Nonetheless, whatever route is taken we believe our discussions with DCLG should highlight the strength of our offer (e.g. security for longer term growth planning and testing of key principles from the Housing White Paper and Industrial Strategy Green Paper).
27. Officers would also want DCLG to recognise that securing some flexibility from them would be important in the eyes of both our members and the public when being asked to endorse the cost and commitment involved in producing an OJSP/S.

Project Costs

28. Work is underway to assessing the likely costs of the options for the delivery of the OJSP/S and estimated costs and savings that could be delivered by the statutory and non-statutory routes will be developed as part of the full business case for consideration by the Growth Board in September. The constituent councils will also need an understanding of the required commitments to inform budget setting processes in the autumn.

Conclusion and Next steps

29. Although further debate and discussion is needed about the status of any OJSP/S, EOG believe that there are clear technical planning advantages to be gained from working collectively towards an OJSP/S.
30. EOG recognise however, the differing views of partners over the appropriate status of any plan/strategy and propose that in the initial stages, the project is designed and delivered to accommodate either a statutory or non-statutory OJSP/S and that a process should be put in place to work through the issues identified in this paper.