

OXFORDSHIRE GROWTH BOARD

Business case for producing a Joint Spatial Plan (JSP) for Oxfordshire

Purpose of report

1. For the Oxfordshire Growth Board to consider the business case for a Joint Spatial Plan for Oxfordshire.

Recommendations

That the Growth Board recommend to constituent councils:

- *that they work together to take forward a joint spatial plan; and*
- *within the first stages of the project and in discussion with government, seek to agree the most appropriate arrangements to take forward a joint plan.*
- *that the Chief Executives of the Oxfordshire Local Authorities take forward the necessary programme of work to achieve a joint plan.*

Introduction

2. With the abolition of regional planning bodies and removal of regional spatial strategies in 2010, the requirement to plan for strategic cross-border issues has rested with the local planning authorities within an area. The requirement to plan to meet objectively assessed development needs and the formal Duty To Cooperate (DTC, the mechanism intended to ensure on-going co-operation and collaborative working on strategic planning across appropriate planning areas) were introduced with the new National Planning Policy Framework in 2012.

3. Oxfordshire has a long history of collaborative working on strategic spatial planning and the county footprint is recognised as a functional economic area (that has been confirmed with the establishment of the Oxfordshire LEP) and a functional housing area (reflected in the Oxfordshire SHMA which has since been tested at local plan examinations). When South Oxfordshire and Oxford City complete work on their local plans there will then be a suite of local plans providing full local plan coverage across Oxfordshire, planned from a common strategic evidence base.

4. Having full development plan coverage for Oxfordshire provides a strong foundation for development to happen in a planned and sustainable way, aligned with infrastructure provision. This approach, as opposed to an incremental, speculative and unplanned approach is something that the majority of communities in Oxfordshire want to see happening. However, because of the timescales for completing the local plans across Oxfordshire, and the anticipated introduction of a new formal duty to keep development plans up to date (through the requirement for a review every five years), work will need to start very soon on reviewing a number of the Oxfordshire local plans. In addition, through the work on the housing white paper published in February this year¹ the government has reviewed the operation of the DTC and has concluded that it needs strengthening. The preparation of joint spatial plans across larger areas, aligned with a commitment to a more strategic approach through statements of common ground is now the preferred direction of government policy going forward.

5. For Oxfordshire a point in time has now been reached where decisions about future strategic planning activities now need to be taken, notwithstanding current discussions with government about support with infrastructure funding for current growth commitments. Local plans

¹ Fixing our Broken Housing Market DCLG Housing White paper February 2017

based upon the agreed SHMA are completed or are moving into their final stages and alignment of that part of the local development plans into a joint strategic planning approach for the next round of plans needs to be determined. The review of the first of the suite of current adopted development plans will need to be in place by early 2020's.

6. This report proposes that Growth Board recommends the preparation of a Joint Spatial Plan (JSP) for Oxfordshire to build on the previous joint work, and to support effective strategic planning for economic growth, housing, and infrastructure. This will build on previous work of Oxfordshire Authorities through the Growth Board agreeing the SHMA homes and jobs targets and support the Oxfordshire Infrastructure Strategy (OxIS) and the shared vision expressed in the Strategic Economic Plan (SEP). Together with OxIS and the SEP, a JSP will provide a strategic planning framework for sustainable growth for existing and new communities and a platform from which to secure funding for infrastructure needed to achieve the best outcomes for Oxfordshire.

7. The supporting business case for a JSP is attached as Appendix 1 to this report.

Purpose and benefits of a JSP

8. The purpose of the JSP will be to provide an Oxfordshire-wide integrated strategic planning framework and supporting evidence base to support sustainable growth across the county, including the planned delivery of the new homes and economic development, and the anticipated supporting infrastructure needed. It will also deliver savings.

9. There are a range of benefits of preparing a JSP, and advantages of starting the process now. The wide range of benefits and reasons for starting now can be summarised as:

- It provides coherence and consistency of planning over the strategic housing market area and sub-regional economic area;
- It provides the simplest and most direct alignment with the Industrial Strategy, the LEP's SEP, and countywide planning for transport, minerals and waste;
- It is the best option to achieve sustainable developments that are properly coordinated at a strategic level;
- It provides confidence for investors because they can rely on longer-term plans, and greater clarity and transparency on the context for decisions locally. This applies to commercial and private investors, government agencies, entrepreneurs and residents;
- A JSP is supported by government, agencies (Environment Agency, Highways England, Homes & Communities Agency etc), utilities providers, and major stakeholders and businesses, who would prefer a single point of engagement for engaging in planning. It could also save councils money as some agencies have indicated that they may start charging for advice in future;
- A JSP is supported by a number of stakeholder groups in the county, for example the Oxford Civic Society and CPRE.
- Planning professionals' advice is that it is advantageous to the proper delivery of effective strategic planning;
- It will provide strategic context for the timely review of all the local plans, the first of which due is the Cherwell Local Plan which is due to be reviewed in 2020 (five years from adoption in 2015); and
- Once in place, it will reduce the scope for speculative planning proposals and the associated costs for councils in defending against unacceptable proposals and, reduce costs for the development industry in pursuing uncertain applications.

10. Other strategic drivers and current opportunities that suggest both technical and tactical advantages from a JSP approach include:

- Developing a strategic planning approach for Oxfordshire beyond current local plan horizons will allow the local authorities to seek out the greatest opportunities for sustainable planned growth for existing and new communities coordinated with the infrastructure and future updates of the Local Transport Plans led by Oxfordshire County Council. This includes being able to take a longer term view of potential change factors through to 2050, including an ageing population, anticipated climate change, and changing patterns of work and mobility;
- It will place Oxfordshire in a position to respond to the opportunities offered to us by the National Infrastructure Commission (NIC) consideration of the potential of the Oxford to Cambridge Growth Corridor (O2C) expected this autumn and the government's response to that. The NIC investigation and Government's attention to the Ox-Cam corridor work has highlighted the opportunity to secure significant investment in infrastructure in Oxfordshire to support delivery of the economic and housing growth set out in the SEP. Both the NIC and government officials are strongly encouraging the work on joint planning in Oxfordshire, which is seen as an exemplar across the corridor, as a key means by which future investor certainty will be secured by taking a comprehensive, shared consideration of future growth needs and potential 'directions of growth'. Officials have expressed interest in supporting work on a joint spatial plan in Oxfordshire as a pilot approach to inform policy and practice elsewhere. Our Deal proposals include an ask for funding to support this work;
- It will support the development of a pipeline of sites for Oxfordshire through which we are aiming to secure investment to support infrastructure and flexibilities to help deliver our housing and jobs targets. Discussions with the Department of Communities and Local Government (DCLG) and the Department for Business, Energy and Industrial Strategy (BEIS) indicate that a joint strategic approach to planning is key to achieving the deal and providing confidence about future economic growth and housing delivery. In addition it will both support and add value to bids for funding, for example from the Housing Infrastructure Fund;
- 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. It will help us to meet the identified challenges for Oxfordshire, a point raised in recent discussions with Government on the issues of joint working; and
- The recently published consultation 'Planning for the right homes in the right places' (September 2017) supports joint working on tackling housing need and proposes a series of changes to the NPPF and Plan making regulations in support of joint working on planning matters. This positively encourages joint working.

11. Given these drivers and the context of needing to start work on rolling forward the existing local plan work in any event, a JSP would offer the following advantages to Oxfordshire:

- It will deliver savings in the preparation of the pan-Oxfordshire strategic planning component that would otherwise have to be prepared and delivered through five separate local plans and local plan processes;
- It will deliver savings on the commissioning and procurement of the pan-Oxfordshire strategic planning evidence base for one process, rather than through five separate local plans and local plan processes;
- Depending upon the agreed status and scope of the JSP it has the potential to deliver savings (time and cost) in the consultation and examination of specific stages of the JSP process, or reduce the amount that would need to be undertaken by the individual authorities in five separate local plans and local plan processes;
- It will provide a framework for an aligned set of Local Plans and avoid current issues caused by having 5 plans at different stages of development;
- It offers the opportunity to align future work on Local Transport Plans and Waste and Minerals planning in with the JSP, offering potential savings for the County Council in the preparation of those areas of work;

- It will build on the OxIS work and provide a framework for proactive infrastructure decisions, taking account of planned growth maximising the opportunity to secure funding for infrastructure and other measures to support development;
- It will provide a long term strategic growth context for Oxfordshire and set the strategic direction for growth planning- up to 2050 - a date that aligns to other larger than local planning policy initiatives such as the 2050 London Plan; the development of the Oxford-Cambridge corridor Transport Strategy and the Economic and Industrial Strategy; and
- It will help to address the perceived “democratic deficit” by giving the public a clear overview of and transparent engagement in the county growth/development picture, thus enabling a better understanding of the growth trajectory and underpinning evidence across the county and an increased ability to engage in collective decision making.

What if Oxfordshire does not prepare a JSP

12. If a JSP is not taken forward then planning by the districts and county will continue as it currently stands with separate local plans and county plans. It is likely that optional and voluntary joint working will continue, bilaterally and collectively through Growth Board.

13. There are however some risks with the status quo approach, especially if the aspirations for economic growth across Oxfordshire are to be realised:

- In a high growth area like Oxfordshire, separate plans may make it more difficult to manage change to achieve sustainable growth and communities;
- The evidential case for infrastructure development will be weaker, and consequently is likely to be a low priority from a national perspective;
- Investment confidence will be reduced (including commercial and private investors, government agencies, and entrepreneurs); and
- Government keeps revisiting the need to coordinate plans over areas wider than individual districts. The White Paper earlier in 2017, and the current consultation on planning, suggest a strengthened requirement for joint planning.

Scope and content of the JSP

14. The JSP is intended to be a strategic plan for Oxfordshire, concerned with long-term strategic growth and infrastructure decisions. It will do this by firstly building on the current planned growth within each Local Plan (up to 2031/36) and secondly by developing a set of longer-term strategic objectives and priorities for the period to 2050.

15. The JSP will create a framework to articulate Oxfordshire's growth needs and ambitions to 2050 by:

- Setting out an overarching vision including economic and housing growth;
- Identifying the scale of economic development and housing to be provided across Oxfordshire;
- Identifying broad spatial options for growth and the infrastructure requirements to support this broad spatial pattern;
- Potentially articulate a longer term single spatial strategy for the county;
- Identifying longer-term infrastructure investment priorities;
- Aligning shared spatial, economic and infrastructure priorities;
- Providing a robust evidence base for local plan preparation and reviews;
- Fulfilling the requirements of the Duty to Cooperate in relation to joint working between local planning authorities;
- Setting out a Statement of Common Ground (SoCG) between the local authorities in line with proposed government requirements;

- Helping to enable the authorities collectively to contribute more collaboratively to the development of the Oxford-Cambridge Corridor and other national agendas;
- Depending upon the scope of the JSP, provide a clear long-term strategy for all stakeholders to provide certainty and stimulate investment;
- Addressing environmental implications and potential for securing environmental gains; and
- Addressing transport, waste and minerals needs.

Planning status of a JSP

16. A key consideration is the status of the JSP and what weight it should have in planning decisions, in other words whether to develop it as a statutory planning document with full planning weight or just as guidance.

17. It is proposed that the production of the JSP commences on a non-statutory basis, however supported by an evidence base and process that would enable the constituent local authorities to decide to take a statutory route at key decision points as identified in the business case and timelines.

18. Whilst the JSP will provide the strategic framework, it will not replace local plans. If the JSP was to become a statutory plan it would in effect operate as Part 1 of future local plans, setting out a high level long term strategic plan for sustainable development in Oxfordshire to 2050. More detail would then flow from local plans produced by each council. This coherent, strategic approach offered by the development of the JSP will provide each authority with the opportunity to have an informed countywide growth assessment underpinning its Local Plan and acting as a 'material consideration' for plan development. Equally, the JSP will be informed by the approach to local growth set out in the adopted Local Plans.

19. If endorsed, the production of the JSP will aim to be in place to frame the context for the first Local Plans that will approach their five-year review point; this is the Cherwell Local Plan in 2020. Once the JSP is in place, it will influence all District Plans (Local Plans and Neighbourhood Plans) and County Plan (Minerals) to a greater or lesser degree depending upon its scope and the extent to which it forms part of the formal development plan.

20. Included in the project at an early stage is the development of a Statement of Common Ground (SoCG) as proposed in the 'Planning for the Right Homes' consultation. This consultation document sets out the scope of these new documents as being to strengthen the Duty to Cooperate, including the headline housing need figures for each district and to establish a mechanism to address and identified unmet housing need. The SoCG will also set out the relevant strategic and cross-boundary matters for Oxfordshire and could, for example, include some high-level sustainability and infrastructure matters and be agreed by each Council.

21. A timeline is proposed in the business case which would see a JSP adopted by the end of 2019 for a non-statutory plan, or the end of 2020 for a statutory plan (the additional time being largely to allow for a public examination by an independent government inspector plus an additional statutory stage of consultation on the draft plan).

Governance arrangements

22. Production of the JSP would not require new governance arrangements to be set up at this stage, allowing progress to be made on the initial commissioning of new evidence and studies.

23. If the constituent councils decide to undertake a statutory plan this will require agreement from all of the authorities concerned and governance arrangements may need to be reviewed. The Planning and Compulsory Purchase Act 2004 includes provisions to enable

local planning authorities to produce a joint plan either by creating joint local development documents (s28) or by establishing Joint Planning Committees (s29). The appropriate route would need to be considered and agreed by constituent authorities.

Financial considerations and resources

24. The financial costs of the project fall into various categories:

- The costs of the joint project team (including accommodation, IT support etc.)
- The costs of the evidence base, including a new housing need assessment, specialist consultant advice and expertise, legal advice and some transport modelling
- Consultation and, if statutory, examination and adoption costs

25. It is proposed that the cost of the JSP, whether statutory or non-statutory, are split 6 ways between the 5 District/City Councils and the County Council. These costs will depend heavily upon whether the JSP follows a non-statutory or statutory route with the former requiring less cost, but the latter offering greater potential cost savings to individual authorities in terms of their future individual local plan work. Because of the need to build in flexibility to allow for future decisions about the status of the JSP the costs up to and including 2019/20 are substantially the same whether it is a statutory or non-statutory plan.

26. If the JSP continues on a statutory route, the total estimated cost is approximately £3.9 million over the project period. If the project were to take a non-statutory route there would be no need for examination and associated legal costs and this, together with the reduced time for the project reduces the costs to £2.9 million over the project life.

27. Officers at each of the Local Authorities have estimated cost of delivering five new adopted local plans is circa £5,000,000 per plan (including the staffing inputs, evidence base, consultation, legal and examination costs). Costs of delivering local plans across Oxfordshire would amount to £25 million. Investing in the production of a JSP would reduce costs of developing these plans in future, resulting in savings for all the authorities overall. There will also be savings in the costs of producing the county-wide mineral and waste plans and the Local Transport Plan.

28. Officers have estimated that the production of a JSP would lead to a 10% saving in the production of their own local plans and the county-wide plans, equating to £500,000 per authority. This would lead to a saving of £3,000,000.

29. A significant part of the costs is the commissioning of the evidence base and specialist consultant advice on an Oxfordshire-wide basis. This amounts to approximately £900,000 of the total costs. This cost would be incurred whether there is JSP or individual Local Plans.

30. Each Local Authority through Chief Executives should manage the costs and savings within their own Council.

31. The length and complexity of the project, coupled with the work still being undertaken on local plans across the districts means that the project will require additional resources and capacity over and above the current planning policy work being undertaken by the councils to deliver the JSP.

32. The Chief Executives will ensure that arrangements are in place for effective delivery and sufficient resourcing of the work.

33. The Project Team will have reporting arrangements into 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. A project management structure is proposed in the business case.

Conclusions

34. The Board are asked to commission the Joint Strategic Plan.

Appendix 1 – Business Case for a Joint Spatial Plan for Oxfordshire

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