

**Horsham District Council
& 'Coast to Capital' LEP Local Authorities**

March 2014

**Incorporating Strategic Issues into Local Plans –
Summary Report of Duty to Cooperate Workshops**



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1 Introduction

1.1 The Aim

Fortismere Associates/Arup were commissioned by the Planning Advisory Service (PAS) to deliver a series of workshops entitled 'Incorporating Strategic Issues into Local Plans' primarily from Horsham District Council. Planning officers from neighbouring authorities within West Sussex, Surrey, Coastal authorities, Brighton & Hove and the South Downs National Park Authority were invited to attend the first workshop. The second had a more focussed invitation list of Sussex based authorities, also involving officers. However, as issues were starting to be well known and these were from a broader topographical area, the final workshop had a broader invitation list that was also extended to officers from the three County Councils of East and West Sussex and Surrey. The issue about economic development and how this could be delivered through our plans was raised at the first workshop. For this reason a representative from the Coast to Capital Local Enterprise Partnership (LEP) attended the second and third sessions to provide an update about the emerging LEP Strategic Economic Strategy (SEP). At the final session Members of the attending authorities were also invited to come along.

The aim of this support package is to:

- Provide support for members, senior managers, and relevant partners on incorporating strategic issues and evidence into their Local Development Plans;
- Leave partners able to discharge the Duty to Cooperate confidently and with agreed actions to deal with their key strategic issues.

The workshops, which were held on the 23 July 2013, 9 January and 4 March 2014 were initially tailored to deal with the particular issue by Horsham District with a view to helping them meet the requirements of the Duty to Cooperate. However, at the time of the first workshop the Local Plans for Mid Sussex and Brighton & Hove had been submitted and were the subject of initial examination hearings in the latter part of 2013. As a result of guidance and challenges included in Inspector's letters during the course of these examinations the participating authorities' were able to take a more practical approach to the workshops using current examples. This led to a more collaborative and collective debate at the second and third workshops about the common issues faced by all the authorities surrounding Horsham. All Local Authorities have approached the workshops in a positive way and shared learning collectively in order to work out the most appropriate approaches to strategic planning.

The initial workshop provided an introduction to the need to deal with strategic and cross boundary issues. The whole range of planning issues were discussed at the first workshop however, the remaining sessions focussed on two areas; the main strategic issues, which relate to planning for growth, namely Employment and Housing and the challenges faced by all the authorities about the mechanisms by which improved cooperation could be achieved in the future. The workshops were spread over quite a long period of time and inevitably some issues raised in the first workshop started to be addressed by the end workshop. Also the Local Enterprise Partnership role evolved in terms of involvement in strategic planning as the SEP moved to

completion. This report therefore sets out the key outcomes of the workshops for future reference and provides a strategic evaluation of the outputs.

- Section 2 provides an analysis of the information provided by each Local Authority derived from a mixture of workshop discussions and pre-engagement which broadly outlines the issues that emerged.
- Section 3 sets out two strategic issues discussed in more depth by participants at the workshops.
- Section 4 sets out conclusions and recommendations.

Appendices include: A list of workshop participants, a summary of each workshop (content and outcomes), the participants' action plan and case study material.

1.2 The Duty to Cooperate

The initial workshop included a presentation setting out the key legislation requirements for the Duty to Cooperate, a summary of which is provided in this section of the report.

Paragraph 179 of the National Planning Policy Forum (NPPF) requires councils to work together to address strategic priorities across boundaries and development requirements, which cannot be wholly met within their own areas. Failure to do this will; lead to less sustainable plans, reduce the ability to deliver infrastructure and inward investment; and undermine confidence in the ability of councils generally to make difficult political decisions and deliver on newly won freedoms.

Strategic planning was previously led by the Regional Spatial Strategies (RSS) however revocation of these means that authorities are now expected to address strategic issues through the 'Duty to Cooperate' required by the Localism Act and described in the NPPF.

Section 110 of the Localism Act sets out the new duty which:

- relates to sustainable development or use of land that would have a significant impact on at least two local planning areas or on a planning matter that falls within the remit of a county council;
- requires that councils set out planning policies to address such issues;
- requires that councils and public bodies 'engage constructively, actively and on an on-going basis' to develop strategic policies; and
- requires councils to consider joint approaches to plan making.

Paragraph 156 of the NPPF sets out the strategic issues where co-operation might be appropriate.

The Duty to Cooperate is a legal process and is the first test at the Examination in Public. The Inspector will be looking for reasonable and proportionate evidence to demonstrate that the tests are met. Failure to demonstrate that the requirement has been met is a 'showstopper' and will result in an unsound plan.

The Draft National Planning Practice Guidance sets out different scenarios for addressing Duty to Cooperate where Local Authorities are at different stages of their Local Plan. The Guidance clarifies that Local Authorities with an adopted Local Plan will be expected to keep strategic matters under review, including arising need identified by neighbouring authorities. It will be important for Local Planning Authorities at different stage of Local Plan preparation to demonstrate long term commitment to a jointly agreed strategy.

1.3 **Challenges to achieving the Duty**

Meeting the Duty to Cooperate is not a straightforward task and requires a significant amount of cooperation. There is evidence of historic collaboration across the West Sussex authorities and more recently the Gatwick Diamond group (the local authorities of Horsham, Crawley, Mid Sussex, Mole Valley, Tandridge Reigate & Banstead and more recently Epsom and Ewell as well as Surrey and West Sussex Councils) have worked collaboratively to address a wide range of issues including those pertaining to housing and employment growth centred on Gatwick Airport. The Gatwick Diamond Local Strategic Statement and Memorandum of Understanding, was approved in Autumn 2011 is an example of pre-Localism co-operation. There has also been collaboration between the West Sussex coastal authorities and the South Downs National Park who have partnered with Brighton & Hove and Lewes to focus on similar issues and undertake joint studies in relation to housing need. They have also approved a Local Strategic Statement. However, the linkages between wider geographical clusters such as the coastal authorities and those to the north of the South Downs are likely to be less well developed. Opportunities have been identified to the development of effective cooperation and collaboration by bringing the two groups together that would enable each of the authorities to demonstrate that they have met the Duty. These opportunities and constraints can be summarised as follows:

- Different objectives of the authorities within the area and significantly different environmental constraints and social challenges need to be understood;
- Differing Local Plan Timetables, can offer opportunities but can contribute to challenges on agreement and difficulties aligning evidence base documents;
- Some shortcomings in the collection and sharing of information that provides the evidence base for plan preparation;
- The emerging role of the Coast to Capital LEP which covers as large area from the coast to Croydon but which has limited resources to engage effectively with a large number of planning authorities;
- Public hostility to growth, particularly housing, making it difficult for individual authorities to accommodate their own needs and even more so for working with others outside their jurisdiction;
- Underdeveloped relationships between the LEP board and the decision making structures of individual and collections of local authorities;

- Unclear governance structures for dealing with strategic issues and Duty to Cooperate matters requiring up to 3 counties, a national park and numerous local planning authorities to demonstrate collective working;
- No effective mechanism for dealing with the 'London' effect, where the outward pressures spill beyond the Green Belt and into the rural parts of Sussex and the coastal towns; and
- Resources for longer term strategic planning being over-stretched and given insufficient priority until serious problems emerge, (e.g. as a consequence of political difficulties or the feedback from the examination process).

2 Achieving the Duty to Cooperate

Through the workshops participants explored the barriers and opportunities to achieving the Duty in their respective context. This section provides an analysis of the key conclusions from the information gathered and workshop outputs.

2.1 Stages of Local Plans

All the authorities surrounding Horsham were previously guided by the Regional Spatial Strategy set out in the South East Plan (SEP). The abolition of the SEP has therefore left the local authorities throughout this part of the South-East with particular challenges in relation to assessing the quantity of development that they should be planning for, the timing of their plans and the mechanisms by which to collaborate effectively in order to meet the Duty to Cooperate. Functional inter-dependencies for different topics and the role of their places need to be identified in order to steer strategic issues and to identify appropriate collaborations for different groups of authorities. The different stages of development of Local Plans and the heterogeneous nature of the LEP boundaries, makes the understanding of these linkages challenging, but crucial.

It was agreed that it would be beneficial to continue existing joint working and maintain a comprehensive understanding of those programmes and sharing of timetables. This has been included as one of the actions in the Action Plan, see Appendix 5. Table 1 below summarises the current stage of preparation for each authority's local plan.

Table 1: Current stages of Preparation for each authority's Local Plan

Horsham	Consultation on draft Local Plan completed; further work being undertaken to prepare a submission draft (likely to include a higher housing number).
Adur	No adopted plan. On-going consultations prior to preparing a plan for submission at the end of 2014.
Arun	Preferred options consultation completed 2012. Further work needed to agree a preferred strategy in relation to sites
Brighton & Hove	Plan submitted, but examination paused due to issues of soundness relating to housing provision. DtC met but additional collaborative work required to address identified housing need.
Chichester	Key Policies Pre-Submission was approved by Council on the 24 October 2013 for consultation between 8 November 2013 to 6 January 2014.
Crawley	Plan prepared, but Full Council did not agree to consultation. Likely to be delayed until after May 2014 elections
Lewes	Submission delayed to consider new housing figures and DtC. Submission expected in May 2014
Mid Sussex	Submitted and examination begun. Inspector advised that DtC was not met. Plan withdrawn. Work to review the plan now underway. Submission anticipated May 2015.
Mole Valley	Adopted CS. Now seeking to allocate sites to deliver agreed figures through Green

	Belt review. Not considering updating SHMA.
Reigate & Banstead	Plan submitted and DtC met, acknowledgement of their contribution to meeting Crawley's housing needs. But on-going issues due to increased need and effects of London overspill.
South Downs National Park	Different management arrangements; partnership approach with all the local authorities. Have completed issues and options consultation.
Tandridge	Adopted CS 2008; Evidence review underway
Waverley	Advised to withdraw at the examination. Engaged with neighbours too late in the process. Now preparing a revised plan with increased housing numbers.
Worthing	Adopted Core Strategy (2011), but now may need to review in with the NPPF and NPPG with regard to housing need and provision.

2.2 Shared Approach to Evidence Collection

There have been a large number of studies undertaken to underpin the preparation of Local Plans over recent years. Table 2 sets out some of these using information that was supplied in the pre-engagement questionnaire. However, this is not complete and it would be helpful if this table could be updated and include the dates in which the studies were undertaken and indicating where evidence has been collected jointly across authority boundaries.

There is historic evidence of some groups of authorities working jointly, e.g. the Northern West Sussex Authorities (Horsham, Crawley and Mid Sussex) employment Growth Assessment SHMA, the Gatwick Diamond and the West Sussex coastal authorities SHMA .

It was recognised that with plans being at very different stage of preparation, it can be challenging to demonstrate a consistent approach to evidence. This is compounded by the LEP covering such a wide area and Horsham's juxtaposition with three county councils and numerous district planning authorities.

Nevertheless, there were indications that many of the evidence base studies have used comparable methodologies and information is being shared between authorities. It was agreed that mechanisms for ensuring that this continues and the approach is strengthened would be helpful.

Economic Development and Infrastructure Evidence

It was recognised in the interim period between workshops that there was an increasing role for Local Authorities in delivering an emerging SEP and aligning housing strategies (emerging policies) to support the proposals in the SEP. The LEP has been working with the local authorities to support its bid for money through the Growth fund and has been asking authorities to identify the infrastructure required to unlock particular sites that are key to the delivery of the strategy. There may also be benefits in the Local Authorities being more proactive in sharing the outcome of employment land reviews with the LEP.

Housing Growth Evidence

There is historic evidence of the Local Authorities working together to understand and address strategic housing issues. However, with a number of authorities working on updates to their Strategic Housing Market Assessments, there is a continuing need to map the housing functional areas to help clarify meaningful engagement. There needs to be an understanding of how the findings in the SHMAs interrelate and in particular, in order to plan for economic growth, an appreciation of the travel to work patterns throughout the area. Also, not everyone has up to date SHMAs. Joint evidence or indeed policies are not necessarily required for effective strategic planning, but many LPAs recognised and agreed that they should aim to achieve consistency. Table 2.2 summarises some of the progress made on joint evidence base for housing. It is not comprehensive as not all Local Authorities submitted information in time for analysis, but this could be picked up as a future action if felt helpful to demonstrate joint work.

Table 2.2: Summary of each local authority's emerging evidence base documents supporting emerging local plans (including indication of which have been jointly prepared across local authority boundaries)

	Lewes	Brighton & hove	Adur	Worthing	Arun	Chichester	South Downs NP	Horsham	Crawley	Mid Sussex	Reigate & Banstead	Mole Valley	Tandridge	Waverley
SHLAA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SHMA	✓	✓	✓				✓		✓		✓	✓	✓	✓
Affordable housing viability study		✓	✓	✓	✓			✓			✓	✓		✓
Housing Study (Duty to cooperate) 2013 (update 2014)				✓										
Infrastructure delivery plan	✓	✓		✓	✓	✓	✓	✓*		✓	✓		✓	✓
Retail & Leisure study	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓	✓
Employment land review	✓	✓	✓	✓	✓	✓	✓		✓		✓	✓		✓
Employment Growth Assessment				✓	✓				✓		□	□		□
Gatwick Sub Region Outline Water cycle Study			□			□			✓				□	□
West Sussex Sustainable Energy Study			□	✓									□	□
Transport study	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Flood risk assessment	✓	✓	✓		✓	✓		✓		✓	✓**	✓	✓	✓

	Lewes	Brighton & hove	Adur	Worthing	Arun	Chichester	South Downs NP	Horsham	Crawley	Mid Sussex	Reigate & Banstead	Mole Valley	Tandridge	Waverley
Landscape/ urban design assessment			✓	✓		✓		✓	✓	✓	✓			✓
Open space study	✓	✓		✓	✓	✓			✓	✓	✓	✓		✓
Biodiversity/ ecology				✓										
Gypsy and Traveller Transit Needs Assessment (all West Sussex)	✓		✓						✓	✓		✓		
CIL – viability assessment		✓	✓	✓			✓	✓	✓	✓		✓		
New Market Town Study								✓						

*Yes existing and updating

**Joint with Horsham and Crawley

2.3 Approach to Engagement

The Duty to Cooperate Toolkit was issued by PAS consultants at the end of Workshop 1 and discussed as a useful tool for capturing joint issues, the evidence base and approaches to collaborative working on strategic issues. It was agreed by participant authorities and organisations that there would be benefit in completing the Toolkit and sharing the information over the succeeding weeks. In the longer term, authorities are encouraged to keep the toolkit up to date and share it regularly. The Toolkits should enable authorities to demonstrate that relationships with key strategic partners have been developed and are on-going.

The Toolkits have only been filled in by some of the participating authorities. The value of them as a basis for sharing and updating information is therefore currently somewhat limited. However, officers from Horsham intend to pursue this to assist them in capturing the full extent of engagement with its various neighbours.

The second workshop identified that there are a number of governance structures which are currently in place and which have aided historic cooperation. These are shown in Figure 1 overleaf. There are various statements of cooperation/ protocols/ memorandums of understanding that have emerged in the last year. Crawley Borough council helpfully shared their initial Officer draft of Duty to Cooperate Statement for the CBC Local Plan 2015-2030 which referenced these. Some of these are still only in draft or an advanced form and should be completed or reviewed or Local Strategic Statements were discussed at the workshops as a means of formalising the existing relations and joint strategic working.

There was recognition that there are some existing governance structures that could provide a foundation for developing Duty to Cooperate capacity. The Gatwick Diamond needs to be refreshed and made more formal, which was a matter picked up in the first workshop and actioned by the third. To date it has offered informal challenge but would need to go further in offering the opportunity for the participating authorities to challenge one another in relation to their evidence and proposed strategies.

There are a number of other groups in addition to the Gatwick Diamond which already operate and/or are now being developed to handle the DtC issues. They are:

1. Coastal West Sussex and Greater Brighton Strategic Planning Board
2. West Sussex Joint Planning Board
3. Surrey Leaders Group
4. East Sussex Strategic Leaders Group
5. Greater Brighton Leaders Board
6. South-East Seven.

More details of these can be found in the notes of Workshop 3. The workshop participants recognised that there is a serious risk that with so many groups there will be overlap, duplication and confusion. There is therefore an urgent need to agree which groups should take on the responsibility for different elements of work and how information shared and decisions made will relate back to the decision making processes of the individual authorities.

The group were aware that they should not over rely on historic alliances, such as those led by the County Council in the past, but should attempt to build capacity to deal with matters on the basis of functional areas.

There was therefore considerable support for a refresh and strengthening of the Gatwick Diamond, recognising the quality of its work to date, including a review of its terms of reference. The review should also consider meeting frequency, agenda planning and ensure effective ways of presenting reports to enable informed cooperation and negotiation to be undertaken. As part of this the workshop participants also acknowledged the need to strengthen connections to both the north (including London) and the south (the Coastal authorities). These matters are therefore picked up in the Action Plan.

It was agreed that the meetings must have outcomes that enable every authority to demonstrate that they had done all it could to contribute towards effective strategic planning for their area and meeting the overall identified needs (particularly in relation to housing and jobs) across the sub-region. It was also recognised that there will be other stakeholders with whom it will be important to demonstrate effective engagement. Including the LEP representative will be a key part of this process, but there may also be others, such as the Highways Agency and the Environment Agency who should be involved.

2.4 **Approach to LEP Engagement**

The timing of the workshops gave the LEP the opportunity to present as it developed their draft Strategic Economic Plan and the final version to the participants. It also flagged up the key issue that lack of housing supply could be a constraint on economic growth, which is clearly a matter of concern. The LEP is therefore interested in unlocking housing development as well as supporting the development of employment generating activities in well-defined locations.

The LEP recognise the importance of working in partnership with planning authorities across the sub region, but given their focus on economic development and their limited resources, they cannot engage individually with each authority. Ensuring that they are embedded in the mechanisms to deliver DtC where groups of authorities come together will therefore be very helpful and should ensure improved linkage between economic and housing issues.

3 Employment and Housing Issues

3.1 Employment

Discussion within the Workshops was around or focussed on the issue of ensuring that the region benefits from its skilled population and does not lose out on the opportunities for economic growth because of the perceptions of poor levels of accessibility and congestion. The area does not want to be seen in the future only as a commuting area that provides for the housing growth for London.

Issues

There is increasing pressure on employment sites and concern that these will be lost to housing, unless they are identified as key to the delivery of the SEP. Nevertheless, it was also acknowledged that there are premises and existing sites that are not fit for purpose so it will be important to agree which sites should be retained and strengthened whilst allowing others to be converted to other uses.

The uncertainty over the possibility of a second runway at Gatwick is making it increasingly difficult for the authorities in the area to plan effectively. A decision to proceed with a second runway would have very significant knock on effects for jobs in the area, not just at the airport but for those businesses that wish to locate close to such at strategic gateway to the UK. A decision not to have a second runway would be a significant issue for the area to consider. Crawley is currently experiencing a shortfall of employment land due to the requirement for safeguarding land for a potential second runway.

There are issues of how to support the entrepreneurial spirit within the area. There is therefore a need for opportunities for small start-ups. Infrastructure, including the provision of super-fast broadband is also key to supporting small businesses in rural areas and supported across West Sussex.

Governance

The Workshops suggested that, with the exception of work done through the Gatwick Diamond and to support the Brighton City Deal, employment and economic development issues were discussed on an ad hoc basis and yet there were common concerns that could be more effectively dealt with through a collaborative approach.

Organising regular meetings to discuss strategic employment matters and to formalise Duty to Cooperate issues within refreshed groups would represent an opportunity to ensure effective collaboration, protect essential sites and improved the links to infrastructure delivery within all the Local Plans.

Evidence

The Workshops highlighted that local authorities were working on updating employment land reviews and infrastructure studies. Horsham has joined with the Northern West Sussex authorities to produce a joint Economic Growth Assessment, updating the previous joint study. The brief for this study aims to identify the strategic economic picture and ways to promote economic growth across all three authorities.

There was helpful discussion at the second and third workshops with the engagement of the LEP and the emerging clarity about their economic strategy. Some key questions which emerged included:

- What are the economic roles of the various towns or districts in the area and how can these complement each other to support the wider economy? Should there be specialist functions for some settlements?
- What are the main commuting patterns and what are the implications for the choice of location for businesses?
- What are the key drivers to enable employment growth and lever in business investment? Planners need to have a greater understanding of these issues.
- What are the key pieces of infrastructure that could unlock growth potential – e.g. A27 improvements, flood defences
- How can superfast Broadband be enabled across the area to support business development?
- How can economic development be supported in areas where the land supply is significantly constrained?

The evidence base for strategic employment will need to be approached on a collaborative basis to ensure the principles of Duty to Cooperate are achieved and to ensure that growth is aligned with strategic infrastructure projects, such as flood defences for Newhaven, and strategic road and rail improvements on the A27 corridor.

A mechanism for achieving a more consistent evidence base could be to understand common assumptions across the Workshop Area and apply these on a consistent basis. Gaining consensus on, say, collation of commuting and migration trends could reduce the detrimental impacts of unaligned evidence base documents.

Policy Choice and Recommendations

To address the strategic-level questions arising from the Workshops, it would be useful for all authorities to map key commuting trends, strategic sites and key demographic trends. Alongside the content of the Strategic Economic Plans, Local Authorities would be encouraged to shape a broad vision of strategic employment priorities, the types of jobs the Workshop Area would like to promote and key infrastructure 'asks'.

3.2 Housing

Most of the local authorities who participated in the workshops have undertaken recent studies to understand objectively assessed housing need, affordable housing requirements and inform the development of their local plans. Most have also undertaken updates on these housing market area assessments. A considerable proportion of the work has been done in joint arrangements; for example the SHMA for Crawley, Horsham and Mid Sussex was updated in 2012 and the Coastal authorities undertook a combined SHMA (2012) for the coastal area. In the majority of cases this is supplemented by local needs assessments and SHLAs.

The Northern West Sussex authorities though a history of joint working on evidence have a clear understanding of their own needs. This is also true of those in the Gatwick Diamond partnership. Similarly the coastal authorities have a shared understanding of each other's needs. However, there is a disconnect between these two areas with little interaction between them in terms of evidence sharing, challenge or constructive dialogue.

Crawley has worked with its partners to try and find ways of addressing its unmet needs – through collaboration with Horsham and Reigate & Banstead. The situation is different in relation to the coastal authorities where none of them can meet their own needs. They are therefore not in a position to help each other by accepting the needs of the adjoining authorities. However, until recently there has been little or no constructive dialogue with the authorities north of the coastal area to assess whether there are realistic opportunities for any of these areas to accommodate their unmet need.

Given the travel to work areas extend both north, primarily up the A23 corridor into Mid Sussex and Horsham and to a lesser extent along the A27 towards Lewes, there is a need to have an effective dialogue. The issue is made more challenging because of the constraints of the South Downs and the desire of the Park Authority to avoid increasing the amount of travelling through the National Park. However, without further investigations and dialogue it is not possible to assess whether or not any of the areas to the north of the national park are capable or appropriate locations for accepting the collective unmet needs of the coastal authorities. It is therefore imperative for the authorities to find means of sharing information and having the difficult discussions through an appropriate joint arrangement.

Although it appears that Horsham and Mid Sussex can meet their own needs there are acute concerns both at officer and member level about the pressures to accept a proportion of the unmet need of other authorities into their areas. They would therefore need to be satisfied that any additional capacity that they could find would be appropriate for meeting the genuine needs of adjoining authorities. Such discussions and negotiations must be based on a clear understanding of the housing market areas to ensure that the right types of homes are provided in the right locations. For these authorities to demonstrate that they have complied with the Duty it will be necessary to indicate that these discussions have taken place in an on-going manner, even where it has not been possible to reach an agreement.

Within Surrey there are concerns about constraints on the area's ability to accommodate additional housing. These include Green Belt protection, flood risk and special protection areas. The on-going pressures of migration from London into Surrey compound these issues. In West Sussex there are additional issues relating to coastal flood risk, waste water treatment. The provision of transport infrastructure needed to support growth is an area of common concern.

Horsham therefore finds itself in the middle of pressures coming up from the coast and down from Surrey and London. The presence of the South Downs National Park effectively severs the coast with the area to the north, whilst the Surrey authorities to the north are constrained by the Green Belt. In addition, to the east is the High Weald AONB and the extra constraints of the Special Protection Area centred on Ashdown Forest. In terms of nationally designated protected areas Horsham District is therefore

one of the least constrained authorities, with only limited areas of AONB and Green Belt. However, it has desires to retain its own high quality rural and urban environment and has areas that are protected including ancient woodland, areas of flood risk and SPAs. It has also absorbed considerable development and a significant increase in population over the last ten years. There is therefore strong resistance to more development from local people.

The Council is also aware of the practical difficulties of delivering large numbers of additional homes on single sites, partly as a consequence of the capacity of the local building industry. These have become evident since the financial crisis and as a result of delays that have been incurred in delivering the large strategic sites allocated in the current Core Strategy. This has led to an increased risk of losing appeals due to the lack of a 5- year land supply. There is therefore recognition that in terms of future allocations there needs to be a balance between large and small sites to reduce the risks of delivery being stalled.

Governance

There a number of existing governance structures that could be used to address housing issues. In particular the Workshops identified the possibility of building and expanding on the work of the Gatwick Diamond to ensure that effective links are made both to the north and south of the area.

Evidence

The Strategic Housing Market Assessments appear to have been undertaken on a comparable and consistent basis. This approach needs to be maintained as information is updated. Since much of the work has been based on existing administrative boundaries it would be useful to map each of the housing market areas to allow meaningful interrelationships to be defined.

The local authorities will need to understand each other's growth strategies and ensure that these are aligned with the growth strategy of the LEP. This would assist wider discussions about alternatives and support the identification of priorities in respect of infrastructure provision. It could also assist the local authorities in justifying their own spatial options.

The local authorities need to use the updated national statistics on 'Travel to Work' areas to improve their understanding of the relationships between these areas and housing market areas. This in turn should enable more meaningful cross boundary discussions about meeting the housing needs of the sub-regional areas.

4 Conclusions and Recommendations

4.1 Conclusions

Horsham District is a prosperous area where residents enjoy a high quality environment. It has accommodated significant levels of growth in the past and has developed strong working relationships with the other authorities surrounding Gatwick airport. It has always sought to be a plan led authority and was one of the first to adopt a Core Strategy and go on to adopt a full suite of LDF documents, which included a significant number of strategic allocations for new housing development. The recession has resulted in these sites taking longer to deliver and the Council is now losing appeals due to the lack of a robust 5 year land supply.

The Council has updated the LDF evidence base undertaken a number of additional studies to prepare a new local plan and has accepted the need to provide for its own housing needs. However, its geographical position means that it now faces pressure to meet at least some of the needs of the neighbouring authorities. Previously this matter would have been resolved through the Regional Spatial Strategy whereas now there is a need to attempt to reach agreement through less formal structures.

Horsham District is sandwiched between the coastal authorities, most of which cannot meet their housing needs, the South Downs, an area in which development is strictly controlled and the Green Belt within Surrey to the north. It is also in close proximity to Crawley, which has very confined boundaries and cannot expand, partly because of the need to safeguard land for a possible second runway at Gatwick. However, it is neither appropriate nor acceptable (for environmental and other reasons) for the District to accept large quantities of unmet housing needs from these surrounding areas.

The District is willing to work collaboratively with the adjoining authorities to consider how best this issue can be addressed. The work of the Gatwick Diamond provides a strong basis for undertaking this work and building upon it. Connections with other groups, particularly with the south coast authorities need to be reinforced. The coastal authorities need to formalise their strategic governance in a similar approach.

Whilst housing appeared to be the key strategic issue of concern the importance of retaining and growing a competitive economy in this part of the South East was also recognised. Comparisons cannot be made with other parts of the UK; it is more appropriate to ensure that the area remains competitive in comparison to other parts of Europe and the wider world in order to compete in the global economy.

The LEPs clear economic strategy will aid this, but it will still be challenging for it to engage effectively with some 17 local authorities. Nevertheless, its focus on key infrastructure relating to transport and flood defences that could unlock development potential provides a helpful steer for the local planning authorities. The LEP also increasingly recognises the importance of delivering additional housing, without which economic growth could be stifled.

Immediate tasks

It was agreed that:

- It would be beneficial to develop and maintain a comprehensive understanding of Local Plan programmes and sharing of timetables. This is included in the Action Plan, see Appendix 5.
- The table of evidence based studies for all the authorities that participated in the workshops should be completed and shared.
- There would be benefit in bringing any strategic planning protocols or Local Strategic statements of the various authorities and groups of authorities together to articulate the overall 'vision and story' of the area as a basis for DtC discussions and debate.
- Clearer and more effective governance structures should be established for DtC discussions by improving existing arrangements and strengthening the connections between them. This would build upon the examples of good collaborative working that has been carried out across the region, whilst seeking to avoid unnecessary duplication.
- Securing senior management support for DtC work is essential. As effective planning cannot be carried out in isolation ensuring that CEOs understand and are involved in debate that has political and reputational implications is also critical.
- Ensuring that Members / Portfolio Members are effectively briefed by officers is vital. This will enable them to participate effectively in meetings at city region level that touch on Duty to Cooperate matters.

Other actions

- Encourage officers to complete and update Duty to Cooperate workshop toolkit and for a group such as the Gatwick Diamond to take responsibility for ensuring that it is updated appropriately. All should continue to drive positive strategic working approaches.
- Review Action Plan in Appendix 5 collectively and amend and take forward together.
- Develop an appropriate mechanism for having a dialogue with the London authorities about their growth and housing needs.

5 Appendix 1: Workshop Attendees

5.1 Workshop 1

Workshop 1 was attended by the following organisations:

- Horsham District Council
- Brighton & Hove City Council
- Chichester District Council
- Crawley Borough Council
- Gatwick Diamond
- Mid Sussex District Council
- Mole Valley District Council
- Reigate & Banstead District Council
- South Downs National Park Authority
- Tandridge District Council
- Waverley District Council
- Adur and Worthing

5.2 Workshop 2

Workshop 2 was attended by the following organisations:

- Horsham District Council
- Adur District Council
- Arun District Council
- Brighton & Hove City Council
- Chichester District Council
- Coast to Capital LEP
- Crawley Borough Council
- Gatwick Diamond
- Mid Sussex District Council
- South Downs National Park Authority
- Worthing Borough Council

5.3 Workshop 3

Workshop 3 was attended by the following organisations:

- Horsham District Council
- Arun District Council
- Adur District Council
- Brighton & Hove City Council
- Chichester District Council
- Coast to Capital LEP
- Crawley Borough Council
- East Sussex County Council

- Gatwick Diamond
- Lewes District Council
- Mid Sussex District Council
- Mole Valley District Council
- South Downs National Park Authority
- Surrey County Council
- West Sussex County Council
- Worthing Borough Council
- Reigate & Banstead

6 Appendix 2: Workshop Content/ Outputs

This section summarises the core content and outputs from each workshop, although key actions are captured in the Action Plan (Appendix 4)

Workshop 1: Sub-Regional Planning – Duty to Cooperate

The purpose of Workshop 1 was to brief attendees on the DtC requirements and form a shared understanding of strategic issues based on an awareness of what constitutes good practice.

The following list of strategic issues were identified:

Housing

- Identifying and sharing overall numbers along with an assessment of the area's capacity both physical and in relation to additional demand on infrastructure.
- Understanding the needs, markets and challenges of the different geographical areas (e.g. coastal corridor vs Gatwick Diamond).
- Migration – particularly from London.
- Need for debate about if, how and where any unmet need can be accommodated.
- Affordability of housing is a critical issue and has knock-on consequences for the economy.

Gatwick

- Uncertainty about decision on runway making future planning extremely difficult.
- Current planning on basis of single runway.

Infrastructure

- Capacity and congestion on A27/A259 is a key constraint on development.
- Lack of rail capacity both east-west and north-south.
- Surface access to Gatwick and need for investment in Gatwick Station to take pressure from surrounding highway network.
- Sewage treatment/water supply requires smaller groups of local authorities to work with utilities
- Education requires more engagement with the County Councils.
- CIL – different tariffs create market distortions.

Economy

- Some land shortages – e.g. Crawley.
- Skills deficits in some areas.

Environment

- Pressure to protect National Park whilst development pressure around the periphery.
- Green infrastructure
- AONB, Green Belt, SANGS
- Air quality
- Move to low carbon economy

The key challenges that hinder achieving the DtC were identified as:

- The different stages of plan making for each of the authorities, particularly in relation to housing and employment.
- Alignment of evidence is more difficult in the absence of formal regional structures. However, there are agreed methodologies and shared evidence that should be retained and rolled forward. This is particularly important in the case of the SHMAs.
- Need to engage more effectively with the LEP.
- Need to have better understanding of the links between economic growth and investment in transport.

Workshop 2: Incorporating strategic issues into Local Plans.

The second workshop brought together a smaller group of local authorities to particularly focus on employment and housing issues.

The Coast to Capital LEP provided a presentation on the emerging economic strategy for the area, which stretches from the coastal strip between Chichester and Lewes in the south to Croydon in the north. This was particularly helpful in providing a context for the discussions about delivering growth. The participants were divided into two groups based on geographical representation focusing on the two different areas around Gatwick and along the south coast. Horsham was represented in both discussions.

Employment

The Gatwick Diamond group of authorities has a shared understanding of issues following a joint evidence study. There are issues about land availability, a need to offer more support to start-up companies and tackle skills shortages in some sectors. Over-reliance on the airport as the driver of economic growth is a matter of concern.

Across the southern coastal authorities information sharing appears to be less well developed, but there were issues of common concern including loss of employment land to housing, over-supply of commercial premises, under provision of suitable industrial floor space and a desire to reduce out-commuting.

Housing

Crawley, Horsham and Mid-Sussex have carried out joint work on housing need. There is therefore shared understanding of needs. In the past the Gatwick Diamond authorities have sought to work together to accommodate the overall need. However, the latest figures suggest this may no longer be possible and a mechanism is required to discuss provision of longer-term needs.

The coastal authorities are all in the situation that they cannot meet their needs. Providing more within their areas would result in the loss of valuable green space and/or strategic gaps, or would mean building up. Neither solution is palatable to the local community. The lack of public understanding of the need and political opposition to development is making it very difficult to address these issues.

There followed a discussion about possible mechanisms for taking these matters forward, particularly in the light of recent inspector's comments. The principle issues that emerged from this discussion were:

- A need to engage with senior management of the authorities;
- A need to have an effective dialogue with and between members;
- A need to create better connections between groups of authorities north and south of the National Park.

Workshop 3: Incorporating strategic issues into Local Plans

The third workshop provided an update of the issues discussed in Workshop 2, but also gave the first opportunity to include members in the debate. There was therefore some repetition of material presented at the first two workshops in order to give members a general understanding and appreciation of the requirements of the Duty. The invitation list was also extended to include a wider geographical spread of authorities and the County Councils. In addition to a presentation from the PAS consultant the LEP representative updated the participants on the finalisation of the Strategic Economic Plan, which is to be submitted to government at the end of March.

The first discussion enabled all the participating authorities to share information about their issues in relation to delivering housing and employment growth. Although each authority has its own unique circumstances and challenges, this discussion was useful in providing an opportunity to have a better appreciation of the common issues that are being faced across the sub-region. Very few of the authorities can meet their own housing needs; all are reluctant or unable to accept the needs of their neighbours. There are genuine concerns about the area's capacity (both environmental and relating to infrastructure) to accommodate additional growth. There was also an appreciation that promotion of the economy is vital in order to make best use of the area's skilled population and avoid the perception that the area is a dormitory area for the growth happening in London. However, the LEP is becoming increasingly concerned that lack of housing could stifle economic growth, compounded by the uncertainties surrounding the future of Gatwick.

The second discussion discussed what mechanisms could be used and/or developed to take forward actions relating to the DtC.

It was recognised that there are greater complexities with the absence of formal regional structures and that it will be necessary to find ways of making effective decisions collectively across authorities without undue duplication of effort.

Identifying appropriate groups based on functional areas for different topics may therefore be the way forward. There was an over-arching desire to make best use of groups that are already working together by refreshing and sharpening their terms of reference.

It was recognised that in the absence of formal regional structures all the LAs were developing their own approaches to meet the Duty to Cooperate and conversations between various groupings about strategic issues are on-going. However, the current arrangements alone are unlikely to enable either Horsham or any its neighbours to fully satisfy the Duty. There is therefore a need to strengthen connections between existing groups and in particular the Gatwick Diamond and the Coastal Group, refresh their terms of reference and provide greater clarity and guidance. This needs to be achieved in a way that will avoid unnecessary duplication of effort or the requirement for too many meetings with too many people. However, there could be joint representation on both groups.

Appendix 3: Duty to Co-operate Relevant Case Material

It is clear from recent submissions of core strategies that Inspectors will be seeking evidence of collaborative working across administrative boundaries to address strategic issues, such as housing numbers. The identification of appropriate functional areas and the supporting evidence assembled and presented will form a key consideration as to whether or not the Inspector concludes that the DtC has been fulfilled. We discussed several cases during the workshops including the findings from Mid Sussex. Included below are some other case summaries.

In the case of **Leeds the City Council** it argued that it had prepared its Core Strategy within the overall strategic context of the Yorkshire and Humberside RSS and that its housing numbers reflected this work, even though the RSS had subsequently been revoked. As a consequence of representations the Inspector concluded that the DtC had been met in a letter to the City Council dated 10 July and is now prepared to proceed to the examination.

In **Kirklees** the situation appears to be quite different. Having read the pre-submission documents the Inspector stated that there was evidence that Kirklees had appeared to be abandoning the foundation of co-ordination that was provided by the RSS. He was not only critical of their housing numbers but also the timing of the submission of their core strategy. Officers have recommended that the plan should be withdrawn, but the Council was awaiting the Inspector's view on whether or not Leeds had fulfilled the DtC before making their decision. An extract from the Inspector's letter to Kirklees is as follows:

Even though it has recently been revoked, the Regional Strategy (RS) encapsulated the outcome of this strategic process. I agree that the YHRA did provide, if not co-operation, then a foundation of co-ordination which could be built upon. Appendix C of CD12 indicates that, so far as housing is concerned, other adjacent Councils are bringing forward proposals which are broadly in-line with the coordinated approach set out in the RS. The exception appears to be Kirklees Council. I will deal with the Council's housing strategy in more detail elsewhere. However, so far as housing is concerned, the Council appears to be abandoning the foundation of co-ordination which could be provided by the RS. This impression is reinforced by the fact that submission of the Core Strategy for Examination appears to have been delayed until the RS has been revoked. The object of the Council's timing appears to be to ensure that the Core Strategy cannot now fail the test which required that the document should be generally in conformity with the RS. I find it difficult to reconcile the Council's position that, as a participant in the YHRA, its Core Strategy was prepared against a background of strategic co-operation with its position where, in contrast to other participating Councils, it is proposing to adopt an approach to housing which is significantly different to the strategic approach set out in the RS. In my view this significantly weakens the Council's case that participation in the YHRA indicates a degree of strategic co-operation during the preparation of the Core Strategy and that the 'duty to co-operate' has been fulfilled.

In the case of **Waverley** the Inspector's preliminary conclusions following the submission of the CS led him to recommend three possible courses of action, the third

of which was withdrawal and appeared to be the one that he considered most appropriate in the circumstances. However, in reaching his conclusions he did not find that the Council had failed to fulfil the DtC he was much more concerned about the manner in which the housing numbers had been prepared. The issues therefore related more to matters of soundness than the DtC. Furthermore, in contrast to the situation in Leeds he was of the view that with the South East Plan having been revoked the Council had placed too much reliance upon it and its housing figures. He was therefore suggesting that more work and more specific engagement with the other authorities in the HMA were likely to be needed before a sound strategy and plan could be developed.

The key message from latest inspector's reports is that, whilst it is a duty to co-operate and not a duty to agree, local authorities must still demonstrate that their plan is deliverable at Examination. Therefore close involvement and support of Members and senior managers in terms of the process is key for effective external partnership working and decision making.

Hart District Council has recently withdrawn its Core Strategy following the advice of the Inspector. Its SHMA solely related to Hart District as the adjoining authorities did not wish to undertake a joint exercise. Having failed to persuade Rushmoor and Surrey Heath to work jointly on an update of the SHMA the Council has not identified full housing needs of the HMA or the even the District. Not only had the council failed to identify the full, objectively assessed need for housing within the District, but there was no agreement about how any unmet need could be met elsewhere. Attempts to discuss this issue were only initiated after the pre-submission draft had been published for consultation. The Inspector considered that these discussions were pursued far too late in the plan's preparation period as they took place only shortly before its submission for examination. There was therefore little basis for truly effective discussion or cooperation. The Inspector concluded that the Council had not complied with the duty to cooperate.

He then went on to criticise the Council's justification for a housing number and concluded that the Core Strategy had not been positively prepared, justified or effective and was not consistent with national policy. It was therefore not sound. He therefore recommended that the plan be withdrawn.

Following an exploratory meeting of the Local Plan, and in particular the theme of Duty to Cooperate, the Inspector advised **Mid Sussex District Council** to withdraw their Local Plan. The Inspector noted that the Council had not established a robust framework within which 'co-operation' could be monitored – for example in terms of frequency, issues to be addressed, outcomes to be anticipated and bodies to be involved.

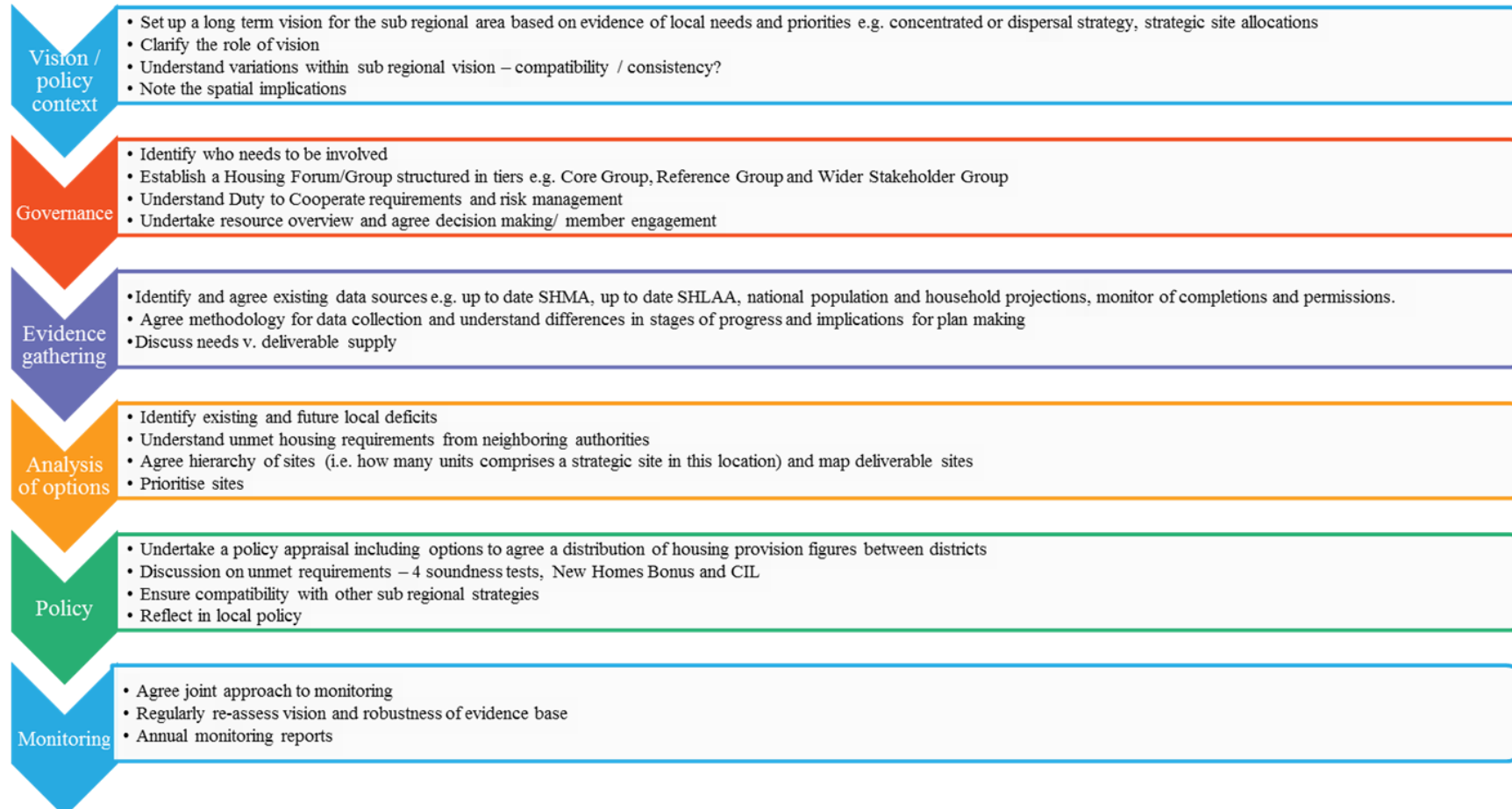
The Inspector noted that the Council appeared to have taken a rather ad hoc approach and relied on existing established meetings to give consideration to the Duty. He stated that the Council needed to demonstrate co-operation, co-ordination and continuous engagement and one way this could have been achieved is through a more transparent process that can be appropriately managed and monitored. The inspector set out a series of criteria for benchmarking the Duty, and stated that the cooperation should be:

- **Constructive:** Has the Authority approached strategic matters in a helpful and positive way?
- **Active:** Has the Authority taken a proactive approach in deliberations, or has the authority taken a 'back seat' approach which has relied on others to seek solutions to cross-boundary problem
- **On-going:** Cooperation should start with initial thinking, meetings should be frequent
- **Collaborative:** Where mechanism to engender cooperation available early within the plan making process and is the Development Plan truly based on a collaborative process.
- **Diligent:** Has in-depth analysis of the issues facing the local planning authorities in the area been undertaken and has a robust assessment of how these issues should be addressed been prepared?
- **Mutual Benefit:** Have references been made in the Local Plan to cross-boundary issues?

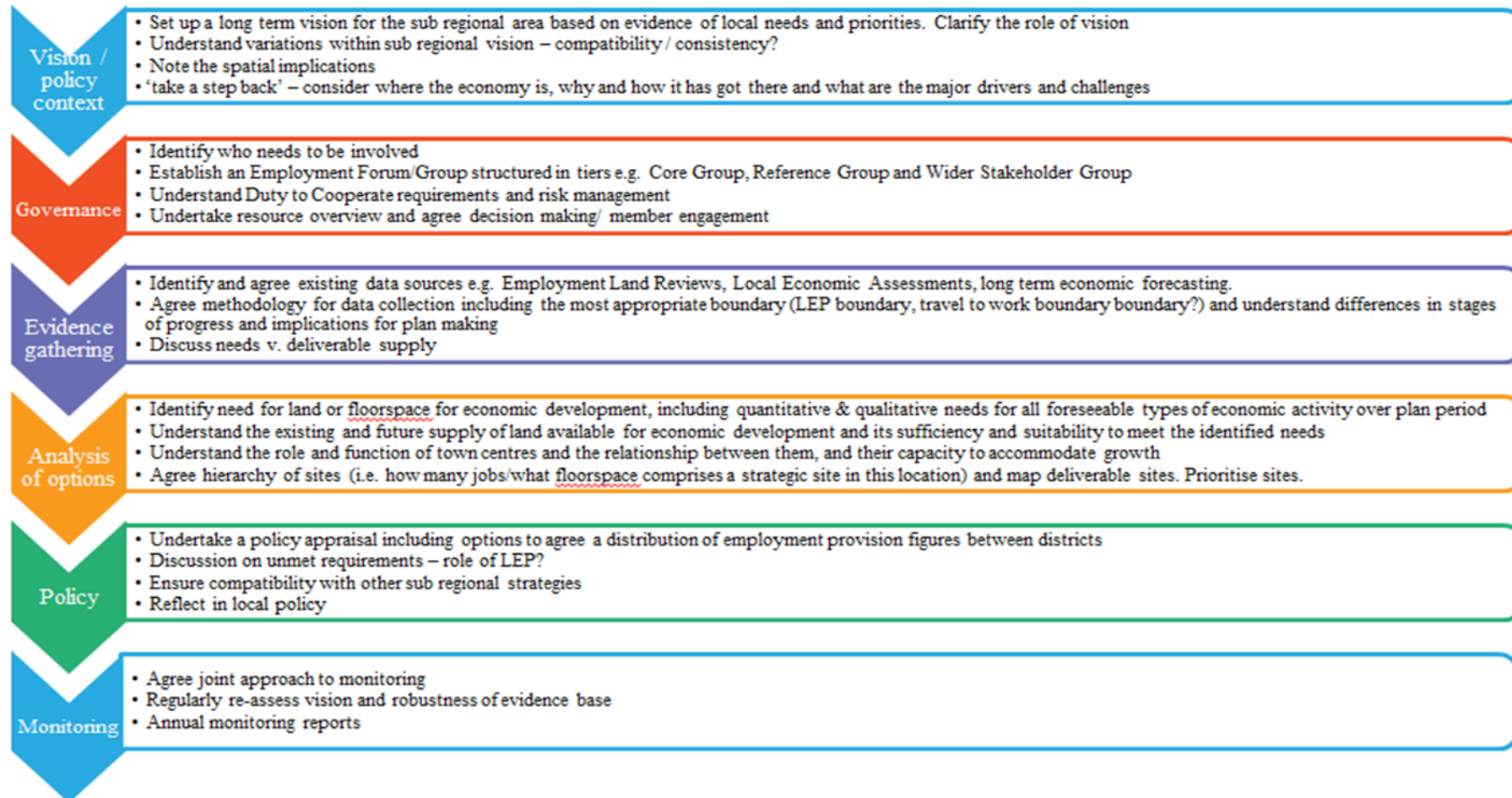
As a result of a limited response to each of these loose criteria, the inspector concluded that that effective joint working had not taken place and the Duty to Cooperate had not been met

Appendix 4 Housing and Employment Process Flow Diagram

6.1 Housing Process Flow Diagram



6.2 Employment Process Flow Diagram



Appendix 5 Action Plan

Issue	Task/Action	Date/Responsibility
General		
Consistency of evidence base	Where new/updated evidence required agree to: <ol style="list-style-type: none"> 1. share assumptions and use common methodologies where practical; 2. consider joint commissioning of studies; 3. inform wider groups of progress and outcomes – particularly in relation to objectively assessed housing needs, employment land and gypsy & traveller sites and transit accommodation. 4. Complete Table 2 (earlier in this report) to provide ability to cross-reference studies between different authorities. 	PPOG & Gatwick Diamond and Coastal Group
Duty to Cooperate Summary of issues (referred to as toolkit in the workshops)	In order to keep all authorities in the wider area informed on a consistent basis and assist in demonstrating on-going, effective engagement <ol style="list-style-type: none"> 1. Each local authority to complete and update the Duty to Cooperate Toolkits offered at the workshop 2. Use as high level summary for coordinating understanding of joint work/ engagement on strategic matters. 3. Analyse the contents and establish interdependencies and where groups/ meetings need setting up. 4. Update and share results on a regular basis <p>NOTE: More detail will be required by individual local authorities for the purpose of Local Plan examination.</p>	PPOG & Gatwick Diamond and Coastal Group
Creation of common vision	Bring together and update the Local Strategic Statements of various existing groups to provide a coherent basis for DtC discussions and negotiations.	PPOG & Gatwick Diamond and Coastal Group
Engagement of Members	Create appropriate mechanisms for engaging Members in wider discussions beyond their own authorities with a view to enabling appropriate political decisions to be made.	Heads of Planning to brief Portfolio Members
Effective collaborative decision	Review collaborative mechanisms between the Gatwick Diamond, Coastal Group and the	Gatwick Diamond,

making	<p>LEP</p> <ol style="list-style-type: none"> 1. Agreeing a formal structure to provide joint advice and recommendations 2. Setting up clear links between the Groups 3. Considering how best to create links to London 4. Including representatives from the County Councils 	Coastal Group and LEP
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LEP wide/focussed tasks		
Timings of plan-making and LEP funding submissions	Ensure LEP and Local authorities have on-going shared understanding of each other's timetables and opportunities for funding bids.	LEP groups and all Local Authorities
Communication with the LEP	Continue to improve communication by the LEP with the partner local authorities. Encourage LEP to share Information about what they are doing that impacts on local plan process through appropriate groups. Develop a 'long-term' plan for engagement.	LEP groups and all Local Authorities
Employment and Infrastructure issues		
Align local plans with the LEP's SEP	Align Local Plans with Strategic Economic Plan as far as possible, particularly in respect of strategic employment sites, housing sites and infrastructure 'pinch-points'.	All Local Authorities
Improve understanding of travel to work areas	Map key commuting trends and changing demographics. Ensuring information shared and understood.	LEP and all Local Authorities
Agree priorities for transport infrastructure	Identify and agree infrastructure that will unlock development. Develop engagement with the Highways Agency and Network Rail to support development of business case.	LEP and Local Authorities
Topics requiring wider discussion to support the economy	<p>Develop a shared understanding of the following issues in order to develop future actions:</p> <ol style="list-style-type: none"> 1. Functional areas – how can towns/districts complement/compete to support the wider economy? 2. What are the key drivers to leer in business investment? 3. What are the constraints on land supply for employment/economic development? 4. How can superfast broadband be achieved? 5. Outcomes of the West Sussex/Gatwick study 	

Housing		
SHMA areas	<p>Map existing HMA areas and agree where overlaps and modifications may arise.</p> <p>Strengthen the understanding of the outcomes to determine OAHN, particularly where there are linkages between adjoining study areas.</p> <p>Ensure that any updates are undertaken using as far as possible consistent methodologies and assumptions.</p> <p>Draft and agree Memoranda of Understanding (MOUs) where appropriate</p>	<p>All Local Authorities</p> <p>Horsham/Mid-Sussex/Crawley</p> <p>Others?</p>
Housing capacity	<p>Agree a methodology to identify maximum site potential in all areas unable to meet OAHN (the no-stone unturned test)</p> <p>If capacity identified share potential headroom with neighbours</p>	All local authorities
Options to accommodate unmet needs	Determine a means and a mechanism for discussing the options to address sub-regional unmet needs	Northern West Sussex + coastal authorities