

SURREY COUNTY COUNCIL**CABINET****DATE: 21 OCTOBER 2014****REPORT OF: MR PETER MARTIN, DEPUTY LEADER****MR MIKE GOODMAN, CABINET MEMBER, ENVIRONMENT AND PLANNING****LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR, ENVIRONMENT AND INFRASTRUCTURE****SUBJECT: LOCAL STRATEGIC STATEMENT AND SURREY STRATEGIC PLANNING AND INFRASTRUCTURE PARTNERSHIP****SUMMARY OF ISSUE:**

The Localism Act (2011) and the National Planning Policy Framework (NPPF) require public bodies to cooperate on planning issues that cross administrative boundaries. At a Local Plan Examination local planning authorities are expected to demonstrate evidence that they have complied with this legal 'Duty to Cooperate'. Infrastructure is a strategic planning matter and the County Council has a key role in Local Plan preparation as the Local Highways Authority, the local planning authority for waste and minerals and as a major infrastructure provider, particularly for transport and schools, and is subject to the duty.

Surrey Leaders have agreed to meet as the Surrey Strategic Planning and Infrastructure Board to provide a vehicle for cooperation and joint working to help districts and boroughs in Surrey meet the challenging requirements of the duty. They have agreed a Memorandum of Understanding on how the local authorities in Surrey will work together to prepare a Local Strategic Statement setting out common priorities on strategic planning matters and actions. The partnership will also facilitate a co-ordinated approach to engaging with neighbouring authorities, particularly London and its growth impacts on Surrey.

Each council now needs to sign the Memorandum of Understanding which sets out expectations about how they will work with each other towards the development of a Local Strategic Statement.

RECOMMENDATIONS:

Cabinet agrees that the Leader of the Council is authorised to sign the Memorandum of Understanding for the Surrey Strategic Planning and Infrastructure Partnership to work towards the preparation of a Local Strategic Statement for Surrey.

REASON FOR RECOMMENDATIONS:

A number of local authorities who have recently had their plans examined have failed to meet the requirements of the Duty to Cooperate and have had to withdraw their Local Plans. Most Surrey local authorities are in the process of preparing planning

documents and it is increasingly clear that meeting the requirements of the duty is a test that has been extremely difficult and would be significantly more likely if an appropriate framework to coordinate partnership working to address common strategic planning issues is established.

The Memorandum of Understanding and preparation of a Local Strategic Statement setting out common priorities can help overcome the difficulties that local authorities are presently experiencing and will help to make the case for investment in Surrey, especially funding for transport and other infrastructure from the Local Enterprise Partnerships.

The proposed partnership will also ensure a collective voice exists within Surrey to manage relationships with neighbouring authorities, particularly London, where projected increases in population suggest that it will not be able to meet all its future housing needs and this is likely to create further pressure to increase housing provision above locally identified needs in Surrey.

DETAILS:

Introduction

1. Under section 33A of the Planning and Compulsory Purchase Act 2004 (amended by section 110 of the Localism Act 2011), and in accordance with the National Planning Policy Framework (NPPF), it is a requirement under the 'Duty to Cooperate' for local planning authorities, county councils and other named bodies to engage constructively, actively and on an on-going basis in the preparation of development plan documents and other local development documents. The duty is a legal test that local authorities need to satisfy at the Local Plan examination stage where they are expected to demonstrate evidence of cooperation.
2. The nature of the cooperation that is expected should be a continuous process of engagement from initial thinking to preparation of the plan through to implementation, resulting in a final position where the plan is in place to provide the land and infrastructure necessary to support current and projected future levels of development. Whilst the obligation is not a duty to agree, it is expected that the cooperation that is sought should be positively conducted with definable outcomes on strategic planning matters of cross boundary significance.
3. The NPPF requires public bodies to cooperate on the following strategic priorities:
 - The homes and jobs needed in the area;
 - The provision of retail, leisure and other commercial development;
 - The provision of infrastructure for transport, telecommunication, waste management, water supply, wastewater, flood risk and the provision of minerals and energy;
 - The provision of health, security, community and cultural infrastructure and other local facilities; and
 - Climate change mitigation and adaptation, conservation and enhancement of the natural and historic environment, including landscape.

The County Council has a key role in Local Plan preparation as the Local Highways Authority, the local planning authority for waste and minerals and as a major infrastructure provider.

4. A number of local authorities who have recently been through the Development Plan Examination process have discovered that meeting the requirements of the Duty to Cooperate is challenging and have had to withdraw their Local Plans because of issues over meeting housing needs. Most Surrey authorities are in the process of preparing new or revised planning documents. Establishing an appropriate framework to coordinate partnership working to address common strategic issues would significantly enhance the likelihood of meeting the requirements of the Duty to Cooperate.
5. Following a meeting in March 2014 attended by the Leaders, Planning Chairman/Portfolio holders, Chief Executives and Heads of Planning from all of the Surrey Districts and Boroughs and the County Council, there was agreement to undertaking joint work to prepare a Local Strategic Statement, to allow county wide priorities and opportunities to be identified.
6. It was also considered essential that the opportunity was taken for the partnership to become a collective voice for Surrey to help to manage relevant relationships with neighbouring authorities. The relationship with London is a particular concern as projected increases in population indicate that it is potentially likely to 'export' future unmet housing needs to surrounding counties in the wider South East, creating a further pressure to increase housing provision above locally identified needs in Surrey.
7. Surrey Leaders agreed at their meeting on 16 July 2014 to meet as the Surrey Strategic Planning and Infrastructure Board to provide a vehicle for cooperation and joint working between the local authorities in Surrey. Surrey Leaders also agreed, in principle, for individual adoption of a Memorandum of Understanding and Terms of Reference on how the Local Authorities will work together to prepare a Local Strategic Statement. (The Memorandum of Understanding is set out in Annex 1 and the Terms of Reference in Annex 2.)

Local Strategic Statement

8. Surrey Leaders have tasked the Surrey Planning Officers' Association (SPOA) to lead on the preparation of the Local Strategic Statement. Further details are set out in the background paper at Annex 3.
9. In practical terms, to achieve an effective Local Strategic Statement work will need to be carried out by the cooperating councils in two stages: the completion of an aligned evidence base across the county and putting that evidence base to work to draft the statement itself. The first phase is in effect already underway with districts and boroughs across the county and outside it working together to produce evidence base documents around four main themes. These themes are, broadly: a picture of housing need in the area, achieved by producing a NPPF compliant Strategic Housing Market Assessment; an up to date picture of the Green Belt, created by reviewing the Green Belt boundaries to assess to what extent land within each district and borough fulfils the nationally defined 'purposes' of the Green Belt; a picture of the infrastructure needs within the county; and a picture of envisaged economic growth through close working with the Local Enterprise Partnership.

10. Whilst the Local Strategic Statement relates to Surrey local authorities, it will take account of strategic issues across Surrey's boundaries, with London and the Coast to Capital and Enterprise M3 LEP areas to ensure that the interests of Surrey are taken into account in the wider South East.

Memorandum of Understanding

11. The Memorandum of Understanding sets out the basis on which the Surrey Leaders have agreed to work together to deliver the Local Strategic Statement and other necessary work to help ensure that local authorities can meet the requirements of the Duty to Cooperate. It does not seek to restrict or fetter the discretion of any of the authorities in the exercise of its statutory functions and powers, or in its response to consultation or determining planning applications.

Terms of Reference

12. The Terms of Reference set out how the signatories to the Memorandum of Understanding (Surrey Planning and Infrastructure Partnership Board) will jointly work to provide a vehicle for cooperation between the local authorities in Surrey to deliver the Local Strategic Statement and other work to help meet the requirements of the Duty to Cooperate. It covers in detail the functions of the Board, how its meetings will be organised and the statutory and non-statutory cooperate bodies that it will work in partnership with to deliver its objectives.

Conclusion

13. The Duty to Cooperate is a critical legal test that Local Authorities have to satisfy in order to get a Local Plan for their area in place. This initiative taken by Surrey Leaders to work jointly to facilitate the preparation of a Local Strategic Statement will make a significant contribution towards meeting this objective so that growth can be managed sustainably. It will also enable a single, collective voice for Surrey to manage relationships with neighbouring authorities to ensure that the interests of Surrey are taken into account in the wider South East and to help make the case for investment in the county.
14. The Cabinet is therefore asked to agree that the Leader of the Council should sign the Memorandum of Understanding for the Surrey Strategic Planning and Infrastructure Partnership to work towards the preparation of a Local Strategic Statement for Surrey.

CONSULTATION:

15. The Memorandum of Understanding, Terms of Reference and background papers on the scope of the Local Strategic Statement have all been considered by the Surrey Chief Executives Group and the Surrey Leaders Group. At their meeting of 16 July 2014, the Surrey Leaders unanimously agreed in principle the Memorandum of Understanding and Terms of Reference for individual adoption and action. All Surrey local authorities are now in the process of getting sign up to the Memorandum of Understanding.

RISK MANAGEMENT AND IMPLICATIONS:

16. Public bodies, including the County Council, have a legal duty to cooperate on strategic planning issues that cross administrative boundaries. The Local Strategic Statement will help local authorities to meet the duty.

17. Whilst it is acknowledged that the approach taken by Surrey Leaders will be challenging, without it, it is likely that Surrey local authorities would fail the test at Examination and consequently would not be able to get up to date Local Plans in place so that development can be delivered in the right place properly supported by the right infrastructure. In the absence of such an approach, the ability of councils to manage growth sustainably and to control where and how development occurs and to make the case for investment in Surrey is likely to be compromised.

Financial and Value for Money Implications

18. The County Council has offered to make a contribution towards the costs of any external support required to supplement the evidence gathering work being undertaken by boroughs and districts individually and collectively to support the LSS and to align the evidence bases and to assemble that evidence into a Surrey wide picture. £25,000 has been allocated, if required, in the agreed 2014/15 outline programme of spend for the Surrey Growth Fund and the costs are expected to stay within this limit.
19. The development of a Local Strategic Statement for Surrey including an investment framework will align strategic spatial, infrastructure and economic priorities which can then be reflected in Local Plans and this will help to strengthen the case to Government, including through the LEPs, for funding for strategic infrastructure in Surrey.

Section 151 Officer Commentary

20. The s151 officer confirms that funding referred to above is included in the existing Medium Term Financial Plan. The development of a Local Strategic Statement (including an investment framework) could have financial benefits, including enhancing the case for future investment in infrastructure in Surrey.

Legal Implications – Monitoring Officer

21. Under section 33A of the Planning and Compulsory Purchase Act 2004 (amended by section 110 of the Localism Act 2011), it is a requirement under the 'Duty to Cooperate' for local planning authorities, county councils and other named bodies to engage constructively, actively and on an on-going basis in the preparation of development plan documents and other local development documents. The participation in the production of a Local Strategic Statement would be part of undertaking this duty.

Equalities and Diversity

22. There are no direct equalities implications arising out of the proposal. The production of a Local Strategic Statement, as a planning based tool, will consider equality matters as part of producing a policy direction in each individual topic case.

WHAT HAPPENS NEXT:

Local authorities in Surrey will work in partnership to prepare a Local Strategic Statement in accordance with the Memorandum of Understanding.

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Consulted:

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Annexes:

Annex 1: Memorandum of Understanding

Annex 2: Terms of Reference

Annex 3: Background paper on the scope of the Local Strategic Statement

Sources/background papers:

None

Memorandum of Understanding ('the Memorandum')

1. Introduction

Surrey Leaders have agreed to meet for the purposes set out in the Terms of Reference for the Surrey Strategic Planning and Infrastructure Partnership dated [].

This Memorandum sets out the basis on which Surrey Leaders have agreed to work together for those purposes, and in particular to help meet the requirements of the Duty to Cooperate through a programme of work undertaken irrespective of plan making timetables at individual authorities.

Under section 33A of the Act (amended by section 110 of the Localism Act 2011) and in accordance with the National Planning Policy Framework (NPPF) it is a requirement under the Duty to Cooperate for local planning authorities, county councils and other named bodies to engage constructively, actively and on an on-going basis in the preparation of development plan documents and other local development documents. This is a test that local authorities need to satisfy at the Local Plan examination stage, and is an additional requirement to the test of soundness.. The Duty to Cooperate applies to strategic planning issues of cross boundary significance. The Districts and Boroughs within Surrey are currently all at various stages of Local Plan preparation. However, they all have common strategic issues and as set out in the National Planning Practice Guidance (NPPG) "*local planning authorities should make every effort to secure the necessary cooperation on strategic cross boundary matters before they submit their Local Plans for examination.*" The statutory requirements of the Duty to Cooperate are not a choice but a legal obligation. Whilst the obligation is not a duty to agree, cooperation should produce effective and deliverable policies on strategic cross boundary matters in accordance with the government policy in the NPPF, and practice guidance in the NPPG.

2. Working in partnership

The Memorandum sets out a framework for joint working between the local authorities which are represented by the Leaders of each authority who have each signed it ('the Signatories'). It sets out where cooperation will take place and identifies key outcomes. The Memorandum will be reviewed regularly to ensure it is compliant with the statutory duty and the NPPF, and is otherwise fit for purpose and up to date.

It is essential that in producing evidence and seeking to deliver outcomes Districts and Boroughs work together in an effective way. It is particularly essential that when evidence on a cross boundary basis is required by an individual District/Borough (or grouping) other Districts and Boroughs will respond positively and in a timely manner. Periodically the Signatories may agree to action to be taken to a common timeframe. The Signatories will cooperate on the basis that amended evidence bases do not invalidate existing tested plans (see NPPG paragraph 30 ref ID 3-030-20140306). Whilst this applies to housing need assessments and 5-year housing supplies it is considered that this is the main area where there is a real potential for shifts in the evidence base.

3. Evidence Base

The local authorities in Surrey have identified key strategic areas of evidence gathering and technical work that require joint working and could be subject to separate arrangements for combined working/commission. This evidence base will be set on an agreed common methodology. This includes:

- Identification of all housing need¹, including agreement on Housing Market Areas and agreement to prepare an up to date Strategic Housing Market Assessment.
- Economy and employment needs and opportunities
- Strategic infrastructure with strong links to work with Enterprise M3 LEP and Coast to Capital LEP on their strategic economic plans and funding bids/programmes
- Development of strategic growth options across the County (principally housing integrated with jobs and required infrastructure/services)
- Constraints such as, AONB, Special Protection Areas and Special Areas of Conservation and flooding.
- Green Belt designation

As a matter of principle before undertaking any technical studies the Districts and Boroughs will explore with other authorities where there is scope for joint studies using a common methodology.

4. Housing Market Areas

Government policy places much emphasis on housing delivery as a means for ensuring economic growth and addressing the current national shortage of housing. Consequently, it is critical at Local Plan Examinations to ensure that local authorities are exploring all possible means to meet the objectively assessed housing need in their housing market area. Paragraph 47 of NPPF is very clear that 'local planning authorities should use their evidence base to ensure that their local plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this framework...'. District and Boroughs are already co-operating on work in this regard and will continue to make that commitment.

There are already several Strategic Housing Market area Assessments (SHMAs) underway or completed. These would form a good basis to understand the degree of consensus from a technical point of view of Housing Market Areas (HMAs) in the County and adjoining authorities. This exercise should be completed in late 2014 once all districts and boroughs have an up to date SHMA.

5. Infrastructure

It is considered that this should be split between strategic infrastructure identified at a LEP level and local infrastructure that each authority will continue to pursue working in partnership as appropriate. The sound work done to date by Surrey Future is key

¹ Housing need includes Gypsy, Traveller and Travelling Showpeople accommodation

and it is valuable that work has been done to map infrastructure in Surrey and collaborate with the LEPs on bidding for funding. For credibility and collaboration this will need to connect closely with existing local plans and infrastructure delivery plans. The local authorities will continue to co-operate and work in partnership on infrastructure primarily through Surrey Future.

6. Other strategic issues

The local authorities and other partners have acknowledged that there are other strategic matters that they could work in partnership to address. Paragraph 178 of the NPPF stresses that public bodies have a duty to cooperate on planning issues that cross administrative boundaries such as:

- provision of retail, leisure and other commercial uses;
- the provision of health, security, community, water supply, waste management and cultural infrastructure;
- the provision of minerals and energy
- climate change mitigation and adaptation; and
- green infrastructure

Where relevant, the local authorities will work together to address these matters if it is considered beneficial to do so.

7. Working arrangements

The work set out in this Memorandum will be led on a day to day basis by the lead planning officer for each of the local authorities in Surrey through the Surrey Planning Officers Association (SPOA). SPOA will meet monthly and will liaise with the Surrey economic development officers and Planning Working Group as necessary. Work will be commissioned, where appropriate, singly, jointly or severally by the local authorities which are represented by the signatories to this Memorandum through the appropriate procurement processes of the lead authority and arrangements to finance any work commissioned will be made through a separate agreement.

SPOA will report, through the Chair, to the Surrey Chief Executives and thereafter to the Surrey Leaders Board. This governance structure will be formalised and protocols put in place for reporting and for administration.

8. Limitations

The purpose of the Memorandum is to facilitate joint working of the local authorities which are represented by the Signatories as set out in the Terms of Reference.. The Memorandum does not seek to restrict or fetter the discretion of any of the authorities in the exercise of its statutory functions and powers, or in its response to consultation or determining planning applications.

Signatories

Leaders

Elmbridge

Epsom and Ewell

Guildford

Mole Valley

Reigate and Banstead

Runnymede

Spelthorne

Surrey County Council

Surrey Heath

Tandridge

Waverley

Woking

SURREY STRATEGIC PLANNING AND INFRASTRUCTURE PARTNERSHIP

Terms of Reference

1. Objectives
 - 1.1 The Signatories to a Memorandum of Understanding dated [] have agreed to meet for the purposes set out in these terms of reference to provide a vehicle for cooperation and joint working between local authorities within Surrey.
 - 1.2 The Signatories will address matters relating to: (i) the Duty to Cooperate to comply with section 33A of the Planning and Compulsory Purchase Act 2004; (ii) infrastructure investment and funding streams; (iii) strategic planning interaction with Greater London and other adjoining and relevant authorities and (iv) associated planning issues that are of joint interest to the member organisations. In summary:
 - To identify and co-operate on spatial planning issues that impact on more than one local planning area across Surrey; and
 - To support better integration and alignment of strategic spatial, infrastructure and investment priorities across Surrey.
 - 1.3 The Signatories are acting together in accordance with their powers under sections 13, 14 and 33A of the Planning and Compulsory Purchase Act and section 1 of the Localism Act 2011 for the purposes set out above by:
 - Providing a framework to evidence that the Local Authorities are working 'constructively, actively and on an ongoing basis' on strategic planning matters to support delivery of Local Plans which will be able to be assessed as 'sound'.
 - Being 'spatially specific' where there is a strategic focus on particular areas within Surrey or overlaps with adjoining areas.
 - Providing a basis for working collaboratively with the GLA/Mayor and other authorities on the long term growth of London, particularly in relation to the next full review of the London Plan and the Mayor's Long Term Infrastructure Plan.
 - Integrating strategic spatial, economic and infrastructure priorities for Surrey with a clear set of (agreed) objectives for delivering 'sustainable' prosperity in Surrey. This should build on the priorities in Surrey Future, the Strategic Economic Plans and local plans and collaboration with the LEPs and Surrey Local Nature Partnership.
 - Providing a positive voice for Surrey, setting out its case for investment and why it is important to the national economy.
 - Helping to align business/investment priorities of other key bodies, e.g. Environment Agency, transport operators and utility companies.
 - 1.4 The Signatories will act to deliver cooperation across the Surrey area to maximise the effectiveness of plan making, infrastructure delivery, growth and a single strategic voice in respect of Greater London planning issues.
 - 1.5 The Signatories will put in place a single agreed framework, in the form of a Memorandum of Understanding, within which the Duty to Cooperate can be

undertaken on an ongoing and rolling programme irrespective of individual plan making timetables of individual authorities.

- 1.6 For the avoidance of doubt, the Signatories cannot exercise any of the functions of a planning authority or competent authorities, including setting formal planning policy or exerting control over planning decisions, nor can they fetter any decisions made by other bodies such as the LEPs.

2. Functions

2.1 The Signatories will :

- agree frameworks for working effectively at a strategic planning and infrastructure level to ensure the best and most appropriate outcomes for Surrey through the Duty to Cooperate
- act together as a vehicle for joint working, liaison and exchange of information related to the Duty to Cooperate
- agree a spatially specific strategic vision for Plan and infrastructure delivery
- retain an overview of, and monitor, the implementation of projects and plan making across Surrey and the wider area of influence.
- identify the sustainable development issues that impact on more than one local planning area and agreeing how these should be prioritised and managed (covering the whole local plan cycle from plan-making, through to delivery and monitoring)
- support better integration and alignment of strategic spatial and investment priorities in the Surrey area, ensuring that there is a clear and defined route through the statutory local planning process, where necessary

2.2 In carrying out these functions, the Signatories may, subject to the necessary procurement arrangements and authorities being put in place by the local authorities represented by them:

- act on behalf of member organisations to commission studies, surveys and reports
- provide advice to member and stakeholder organisations, including making non-binding recommendations for a course of action

2.3 Surrey Leaders may review these terms of reference at any point.

3. Meetings of the Signatories

3.1 The Signatories may invite key stakeholders to attend their meetings as may be agreed. Minutes of the outcomes of meetings will be made available to the local authorities represented by the Signatories.

3.2 Other communication regarding their activities will be agreed by the Signatories.

4. Statutory/Non-statutory Duty to Cooperate Bodies

4.1 There are a number of public bodies that are subject to the Duty to Cooperate. These are set out in the Town and Country Planning (Local Planning) (England) Regulations 2012 as amended by The National Treatment Agency (Abolition) and the Health and Social Care Act 2012

(Consequential, Transitional and Saving Provisions) Order 2013. These bodies are currently:

- the Environment Agency
- the Historic Buildings and Monuments Commission for England (known as English Heritage)
- Natural England
- the Mayor of London
- the Civil Aviation Authority
- the Homes and Communities Agency
- each clinical commissioning group established under section 14D of the National Health Service Act 2006
- the National Health Service Commissioning Board
- the Office of Rail Regulation
- Transport for London
- each Integrated Transport Authority
- each highway authority within the meaning of section 1 of the Highways Act 1980 (including the Secretary of State, where the Secretary of State is the highways authority)
- the Marine Management Organisation.

- 4.2 The National Planning Practice Guidance suggests that these bodies play a key role in ensuring Local Plans are as effective as possible on strategic cross boundary matters. The Signatories will ensure, through provisions to invite stakeholders when required or through the work undertaken by the Surrey Chief Executives and SPOA, that preparation of a Local Strategic Statement has involved these statutory bodies as far as is proportionate given the policy context under consideration.
- 4.3 Local Enterprise Partnerships and Local Nature Partnerships are not subject to the requirements of the duty. But local planning authorities and the public bodies that are subject to the duty must cooperate with Local Enterprise Partnerships and Local Nature Partnerships and have regard to their activities when they are preparing their Local Plans, so long as those activities are relevant to local plan making. Local Enterprise Partnerships (LEPs) and Local Nature Partnerships (LNPs) are prescribed for this purpose in Town and Country Planning (Local Planning (England) Regulations as amended by the Town and Country Planning (Local Planning) (England) (Amendment) Regulations 2012 to include Local Nature Partnerships.
- 4.4 There is existing effective working between Councils, LEPs and LNPs. In this context, the Signatories will ensure that they are aware of Strategic Economic Plans and the delivery of a strategic approach to encouraging biodiversity. The Signatories will ensure, through provisions to invite stakeholders when required or through the work undertaken by the Surrey Chief Executives and SPOA, that preparation of a Local Strategic Statement has involved these bodies as far as is proportionate given the policy context under consideration.
- 4.5 The Signatories will be advised by SPOA via the Surrey Chief Executives.

BACKGROUND PAPER - SCOPE OF A LOCAL STRATEGIC STATEMENT (LSS)

1. Introduction and Background

- 1.1 Under the system put in place by the current Government, the duty to co-operate is intended to ensure that issues which affect more than one local planning authority are managed effectively. Inspectors now look for evidence that such strategic issues have been substantively addressed in Local Plans. That means more than just gathering evidence or engaging in discussions. It means having a clear and deliverable output from such discussion. Inspectors are also looking for sufficiently robust decision making arrangements to show that issues can be addressed on an ongoing basis.²
- 1.2 The duty applies to each local planning authority and relates to strategic matters, which may have different relevant functional geographies, for example housing market areas and landscape areas. These geographies differ between authorities and will extend beyond the county boundary, while co-operation between the county and districts is important for dealing with infrastructure issues such as transport and education. So a framework for the county area of Surrey in itself cannot satisfy the requirements of the duty. The work proposed in this paper would, however, make a significant contribution to helping each planning authority fulfil its requirements under the duty by promoting a framework for Surrey for joint working to address strategic issues and to deliver on strategic priorities. It would help to align strategic spatial, infrastructure and economic priorities which can then be reflected in the Local Plans of individual planning authorities and would also facilitate a co-ordinated approach to engaging with London and its growth impacts on Surrey.
- 1.3 The framework would comprise:
- (a) a **Local Strategic Statement** setting out common priorities on strategic matters which can be used in Local Plans and the associated examinations
 - (b) a **Memorandum of Understanding** on how councils will work together towards an LSS and more generally and **Terms of Reference** for the work being undertaken and agreed collectively.
 - (c) an **Investment Framework** which gives practical support for the implementation of the strategic priorities in the LSS (and hence to the realism of the Local Plans) building on Surrey Future and other investment mechanisms.

² The duty to co-operate guidance issued by Government is very clear: 'Local planning authorities and other public bodies need to work together from the outset at the plan scoping and evidence gathering stages before options for the planning strategy are identified. That will help to identify and assess the implications of any strategic cross boundary issues on which they need to work together and maximise the effectiveness of Local Plans. After that they will need to continue working together to develop effective planning policies and delivery strategies. Cooperation should continue until plans are submitted for examination and beyond, into delivery and review.'

- 1.4 Taking forward such an approach is not easy but in the absence of such a framework authorities will continue to struggle with satisfying the duty to co-operate and will face significant problems in terms of:
- (i) difficulty in putting up to date Local Plans in place
 - (ii) having to engage in ongoing piecemeal efforts to discuss strategic issues with neighbouring authorities with fragmented outcomes which will be unlikely to satisfy an Inspector
 - (iii) consequential difficulties in controlling and influencing development. Since most Local Plans within Surrey were adopted prior to the introduction of the National Planning Policy Framework (NPPF) they are at risk of being considered out of date and councils may as a result be unable to refuse undesirable development. In effect 'planning by appeal' is becoming increasingly common. Councils without an adopted Local Plan or core strategy are also likely to be unable to maximise Community Infrastructure Levy receipts to match the level of infrastructure investment required by the levels of growth as advocated by the NPPF.
 - (iv) being hampered in addressing collectively the pressures that are likely to emerge from London in terms of addressing unmet housing needs. An up to date evidence base on housing need and supply across Surrey will be a much better basis on which to engage with London on these issues and to enhance the robustness of Local Plans.
 - (v) being less able to make the case for investment in Surrey.
- 1.5 In short, in the absence of such an approach, the ability of councils to manage growth sustainably and to be able to control where and how development occurs are likely to be compromised.

2 Approach

- 2.1 Discussions in SPOA and with Surrey Chief Executives, have led to a suggested approach that is the minimum which in the opinion of officers would be needed to achieve a framework which will do what is required given current national planning policy. What is needed is a statement which sets out a spatial planning vision for the County reflecting the evidence base described below (on housing needs, environmental issues, economic growth plans and infrastructure) and sets a broad strategic direction for spatial planning on strategic cross boundary matters. To be effective it needs to help deliver shared objectives across authorities so that development can be delivered in the right place properly supported by the right infrastructure. So, an LSS needs shared objectives around spatial, infrastructure and economic priorities and measures that will help to achieve them.
- 2.2 Two stages are envisaged to achieve this: the completion of the **evidence base** and then **using this evidence to develop the LSS**.
- 2.3 It is important to recognise that:
- (i) a lot of what is needed would have to be done individually by each borough and district to prepare their Local Plan and whilst the approach has implications for further work for some districts and boroughs there will be

external support available if needed for most of the new elements such as assembling evidence for the county as a whole for the relevant strategic issues

(ii) the proposal maintains the 'bottom-up' approach in which the individual local authorities retain the fundamental responsibility for determining how best to meet the needs and aspirations of their area in the context of the wider issues which affect Surrey

(iii) the approach will be staggered and break points inserted so that Leaders are not committed to undertaking all of the work until they have seen the outcome of the preceding stage

(iv) this approach gives Leaders collectively the opportunity to drive the development of a collective and evidenced position on the broad priorities for development for Surrey which will help address the dilemmas faced by all borough and districts

(v) whilst the LSS would cover the geographic area of Surrey it would reflect (and seek to influence) work across county boundaries and in London and would not detract from the work that some boroughs need to do with areas outside Surrey. Indeed, this work should provide a useful basis for an ongoing relationship with Surrey's neighbours.

3. Evidence Bases

3.1 To inform any decisions about balancing land use demands, there are four major pieces of evidence that need to be assembled:

- (a) a picture of **housing need** across Surrey which means having NPPF compliant Strategic Housing Market Assessments (SHMA) that cover each borough and district. Many are in place or are in the process of being developed individually or jointly. Any gaps would need to be filled. In order to ensure that there is a comprehensive and consistent picture these individual evidence bases would then be looked at together to make sure that it is possible to make suitable allowances or extrapolations to reflect differences between them e.g. in terms of population projections or different timeframes having been used. This work would be concerned only with ensuring a comparable set of outputs which can be used to show theoretical housing needs over an agreed period. It would not alter and would not purport to alter or undermine the individual evidence bases.
- (b) having an **up to date picture of the Green Belt** to inform local plans and the LSS. All local planning authorities with Green Belt in their area that could restrict their ability to meet housing needs in full already need to undertake a Green Belt review in order for their plans to be considered sound. The LSS would bring together existing Green Belt reviews. Where no such review has yet been undertaken it would be necessary to look at whether such a review is needed given the test described above. All reviews would be compared for consistency of methodology so that scoring in one borough can be confidently considered alongside scoring in another. The aim is to have an up to date and consistent picture of the Green Belt in relation to the contribution it makes to the fundamental aim of preventing urban sprawl by keeping land permanently open. It remains entirely a matter for local decision makers to consider the extent, if any, of changes to Green Belt boundaries.

- (c) a picture of **infrastructure** needs which would draw heavily on Surrey Future which largely reflects strategic transport infrastructure needs, but together with the LEP SEPs also addresses other infrastructure such as flood defence and regeneration schemes. There may be other issues such as school expansion and primary health care which would also need to be considered. The SEPs and the existing and emerging infrastructure delivery plans for each borough and district will directly contribute to the LSS and an accompanying investment framework could set out in broad terms how this infrastructure will be funded and delivered if a robust LSS for Surrey is to be produced.
- (d) a picture of envisaged **economic growth**. The two LEP economic plans set out growth locations, transport investment, and bringing forward delivery of housing and infrastructure. An LSS would build on these plans by putting them into a spatial planning context taking account of evidence on housing need and location as well as environmental constraints and designations (such as Special Protection Areas). This is what turns the evidence base from being simply collaboration into one that produces planning outcomes that would pass muster with an Inspector.

4. Putting the Evidence to Work – the Strategic Statement

- 4.1 The updated and expanded evidence base described above would provide evidence of co-operation but it would not achieve effective outcomes on Surrey wide and sub-regional issues. So it is necessary but not in itself sufficient.
- 4.2 Accordingly the second stage of the work would be to pull together the evidence with land supply evidence from existing Local Plan work undertaken by the boroughs and districts to form an opinion at Board level about the **broad** prioritisation of areas for housing growth (including any potential strategic sites). This would take account of economic growth ambitions and strategic infrastructure priorities already identified. It will require hard issues to be addressed.
- 4.3 This would require an additional piece of work to assess potential housing provision across Surrey and to consider to what extent any shortfall might be addressed taking into account wider land use demands, particularly employment land and the 'balance' of housing and employment provision and environmental constraints. It then fills the crucial gap in the current arrangements and would provide the basis to enable the production of an LSS that would set a **broad** strategic direction for local authorities and a framework to help them meet the duty to cooperate by addressing strategic issues.
- 4.4 The overall timeframe for the work will be about 12 months although this could be shortened depending on the resources that can be made available locally. SCC has offered to make a contribution towards the costs of any external support required to supplement the activity being undertaken by boroughs and districts individually and collectively for stage 1. A lot of the evidence gathering and review work is already underway as part of the development of Local Plans so there is the opportunity to fill the gaps in the evidence alongside that activity over the next 6-9 months.

Based on a report to Surrey Leaders from the Surrey Chief Executives Group and the Surrey Planning Officers Association - July 2014.

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