

Agenda Item 8

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Ward (s) affected	All	Key Decision	Yes
Subject	Surrey Local Strategic Statement		

RECOMMENDATIONS

That the Executive:

- (i) Agrees that the Leader be authorised to sign the Memorandum of Understanding (Annex 2 to the report) which explains how the Surrey Local Authorities will work together towards the preparation of the Local Strategic Statement for Surrey
- (ii) Agrees the Terms of Reference of the Surrey Strategic Planning Infrastructure Board (Annex 1).
- (iii) Agrees to the preparation of a Surrey Local Strategic Statement.
- (iv) Delegates authority to the Head of Planning Services to work with the Surrey Planning Officers Association on the preparation of the Local Strategic Statement.

EXECUTIVE SUMMARY

The Localism Act and the National Planning Policy Framework (NPPF) require public bodies to co-operate on planning issues that cross administrative boundaries, including for example housing. Local planning authorities are expected to be able to demonstrate evidence of this co-operation at the examination of their local plans. The history of recent local plan examinations shows that meeting the requirements of the Duty to Co-operate is challenging.

Surrey Leaders have agreed to meet as the Surrey Strategic Planning and Infrastructure Board with a specified Terms of Reference to provide a vehicle for co-operation and joint working between local authorities in Surrey on strategic planning issues. The Terms of Reference of the Board are attached as Annex 1. Surrey Leaders have also agreed a Memorandum of Understanding (MoU) on how the local authorities will work together to prepare a Local Strategic Statement. The MoU is attached at Annex 2.

Surrey Leaders have tasked the Surrey Planning Officers Association to lead on the preparation of a Local Strategic Statement (LSS) which will set out common priorities on strategic matters and actions that can be used to demonstrate at local plan examinations that the requirements of the Duty to Co-operate have been satisfied.

It is acknowledged that joint working to address strategic planning and infrastructure issues will be difficult to manage because of the different priorities of Surrey councils and different timetables for preparing local plans. However, without a clear framework and willingness to address the common strategic issues it is more likely that local plans will fail to meet the test of the Duty to Co-operate at the Planning Inspectorate's examinations with significant implications for the delivery of sustainable development. The financial cost for failing the duty is also a material consideration.

All Surrey District and Borough Councils are considering a report similar to this. So far, Runymede BC, Tandridge DC and Woking BC have agreed the proposed MoU, Terms of Reference and proposal to prepare a Local Strategic Statement.

The MoU and Terms of Reference have also been supported by the Surrey Leaders and the Surrey Chief Executives.

CORPORATE PRIORITIES

ENVIRONMENT

Maintaining the character and environment of Mole Valley

The LSS will provide a Surrey wide spatial planning vision reflecting the individual characteristics, development needs and aspirations of each district and borough. It will also provide an opportunity to identify shared objectives for the delivery of new development and infrastructure.

The Executive has the authority to determine the Recommendations

1.0 BACKGROUND/INTRODUCTION

- 1.1 Local Plans are being prepared in the context of changes to the planning system. So far, the most difficult challenge to overcome at Local Plan Examinations is meeting the requirements of the Duty to Cooperate and demonstrating that local authorities are working together to meet in full the objectively assessed housing needs of the Housing Market Area. Both challenges are linked to a significant extent because it will require partnership working to agree on how the Housing Market Area is defined and how the objectively assessed housing needs of a Housing Market Area could be met.
- 1.2 The Localism Act and the NPPF introduce the Duty to Cooperate to require public bodies to work together to address strategic matters that cross administrative boundaries. At Local Plan examinations, local authorities are expected to demonstrate evidence of co-operation. The Duty to Cooperate is a legal test to be met and as such not an option that can be avoided if local authorities want to have

sound Local Plans. The nature of the co-operation that is expected should be a continuous process of engagement from initial thinking to preparation of the plan through to implementation, resulting in demonstrable outcomes. In this regard, the requirements of the duty cannot be retrofitted. Positive co-operation and partnership working should therefore be an integral part of the plan making process.

1.3 The NPPF requires public bodies to co-operate 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, 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.

1.4 Local Authorities who have recently been through Local Plan Examinations have experienced the difficulty of meeting the requirements of the Duty to Cooperate. For example, Runnymede Borough Council has elected to withdraw its draft Local Plan because of the failure to meet the duty. Lessons learnt from the experience of others suggest that local authorities that are likely to meet the duty are those with a clear framework for joint working and definition of the common strategic matters to be addressed.

1.5 Following a meeting in the Dorking Halls in March which was attended by all Surrey Leaders, Planning Portfolio Holders, Chief Executives and Heads of Planning, the Surrey Leaders recognised the need to establish a framework for joint working to enable Surrey's local authorities to meet the test of the duty to co-operate.

1.6 It was also considered essential that the opportunity was taken for the partnership to become a collective voice for Surrey to help manage relevant relationships with neighboring local authorities. The relationship with London is a particular concern as projected increases in population in the Capital indicate that it is likely to "export" future unmet housing needs to surrounding counties in the wider South East, creating further pressure to increase housing provision above locally identified needs in Surrey.

1.7 In the light of these issues, the Surrey Leaders have agreed to meet as the Surrey Planning and Infrastructure Board with a specified Terms of Reference to facilitate the preparation of a Surrey Local Strategic Statement. Surrey Leaders have also agreed a Memorandum of Understanding on how the Surrey local authorities will work together on common priorities and strategic matters, which can be used by them as evidence to demonstrate that they have met the Duty.

LOCAL STRATEGIC STATEMENT (LSS)

- 1.8 The Surrey Leaders have asked the Surrey Planning Officer Association (SPOA) to lead on the preparation of the Local Strategic Statement. Further details are set out in a background paper at Annex 3. The LSS will provide a spatial planning vision for the local authorities in the County, which will reflect their respective evidence base and the common strategic issues that they would like to address. This could include shared objectives on housing need, environmental enhancement, economic growth and infrastructure provision.
- 1.9 in practical terms, to achieve an effective LSS, work will need to be carried out by the co-operating Councils in two stages. The first stage is the completion of an aligned evidence base across the county; the second phase is putting that evidence to work to draft the statement itself.
- 1.10 The first phase is underway as local authorities across the county produce evidence base documents around four main themes. These are broadly: a picture of housing need in the area through the preparation of a Strategic Housing Market Assessment; an up to date assessment and review of the Green Belt boundary; a picture of infrastructure needs and envisaged economic growth through close working with the Local Enterprise Partnerships.
- 1.11 The information that is gathered will be used to establish strategic growth options in Surrey and the strategic infrastructure needs that could be aligned to support the growth, employment and economic needs and opportunities. It will also provide a strategic approach to safeguarding the Green Belt and the conservation of environmental assets such as Special Protection Areas and Special Areas of Conservation. The expectation is that there will be a tight deadline to prepare the Local Strategic Statement so that local authorities can use it as evidence at local plan examinations.
- 1.12 It proposed that the preparation of the LSS will be phased to allow flexibility for the Surrey Strategic Planning and Infrastructure Board to decide on the scope of the subsequent phases. Overall, the preparation of the LSS would maintain a bottom up approach in which individual local authorities retain fundamental responsibility for determining how best to meet the needs and aspirations of their area. It is estimated that it will take about 12 months to complete a draft of the LSS for consideration by the Surrey Local Authorities.

TERMS OF REFERENCE OF THE LOCAL STRATEGIC PLANNING AND INFRASTRUCTURE BOARD

- 1.13 The Terms of Reference sets out how the signatories to the Memorandum of Understanding (Surrey Planning and Infrastructure Partnership Board) will jointly work to provide a vehicle for co-operation between the Local Authorities in Surrey to deliver the Local Strategic Statement and other works 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 bodies that it will work in partnership with to deliver its objectives. The Terms of Reference are included in Annex 1.

MEMORANDUM OF UNDERSTANDING (MoU)

- 1.14 The MoU 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 ensure that Local Authorities meet the requirements of the Duty to Co-operate. The MoU 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. The MoU is in Annex 2.

MOLE VALLEY LOCAL PLANS

- 1.15 The preparation of a Local Strategic Statement for Surrey over the coming months will be most timely for the preparation of a new Local Plan for Mole Valley and helpful in discharging the Duty to Co-operate.

CONCLUSION

- 1.16 The Duty to Co-operate is one of the legal tests that local authorities will have to satisfy to get a sound Development Plan Document. The experience of Waverley and Runnymede Borough Councils demonstrates that meeting the duty will require positive co-operation to address common strategic issues. The initiative taken by Surrey Leaders to work jointly to facilitate the preparation of the Local Strategic Statement will make a significant contribution towards meeting this objective. It is therefore requested that the Executive agree the Memorandum of Understanding be signed on behalf of MVDC to enable the LSS to be prepared.

2.0 FINANCIAL IMPLICATIONS

- 2.1 There are no specific financial implications arising from the recommendations of this report, although the establishment of a Local Strategic Statement will help MVDC demonstrate the Duty to Co-operate has been discharged. Failure to demonstrate that this duty has been carried out could have financial consequences.
- 2.2 Surrey County Council has agreed to make a contribution towards the cost of any external support required to supplement the work being undertaken by the Surrey District and Boroughs. This would otherwise have been funded from existing budgets so could result in financial savings.

3.0 LEGAL IMPLICATIONS

- 3.1 The Surrey Local Strategic Statement will contribute to discharging the Duty to Co-operate which was introduced into the Planning and Compulsory Purchase Act 2004 by the Localism Act 2011 and is a requirement of the NPPF.

4.0 OPTIONS

- 4.1 The Executive can:

(1) Agree that the Leader signs the MoU and agrees the Terms of Reference for the Surrey Strategic Planning and Infrastructure Board and agrees to the

preparation of the Surrey Local Strategic Statement, or

(2) Not sign the Local Strategic Statement MoU or agree to the Terms of Reference or the proposal to prepare a Local Strategic Statement.

- 4.2 It is recommended that that Option 1 is agreed so that MVDC can play its full part in the preparation of a Local Strategic Statement for Surrey.

5.0 CORPORATE IMPLICATIONS

S151 Officer Commentary

- 5.1 The S151 Officer confirms that the financial implications have been addressed in paragraphs 2.1 and 2.2.

Monitoring officer Commentary

- 5.2 The Monitoring Officer confirms the legal implications have been set out in paragraph 3.1.

Risk Implications

- 5.3 Local planning authorities have a legal duty to co-operate on strategic planning issues that cross administrative boundaries. The Local Strategic Statement will help MVDC meet that duty. Without a LSS or being party to it, there is the risk that MVDC's duty to co-operate and its ability to get an up to date Local Plan in place could be compromised.

Equalities Implications

- 5.4 None

Employment Issues

- 5.5 None

Sustainability Issues

- 5.6 The objectives of the Local Strategic Statement will include seeking to identify the location of sustainable development in Surrey

BACKGROUND PAPERS

None

DRAFT**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.

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 and it is

¹ Housing need includes Gypsy, Traveller and Travelling Showpeople accommodation

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 Joint 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

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.
- 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:

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.'

(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.