



AGENDA ITEM: 5(h)

CABINET: 10 November 2015

Report of: Assistant Director Planning

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor J Hodson

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SUBJECT: THE DUTY TO CO-OPERATE AND A LIVERPOOL CITY REGION STRATEGIC HOUSING & EMPLOYMENT LAND MARKET ASSESSMENT

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To update Members on the proposals for a Liverpool City Region Strategic Housing & Employment Land Market Assessment to provide a key evidence base documents for all Local Plans in the Liverpool City Region, including West Lancashire, and seek agreement to a Memorandum of Understanding with the Liverpool City Region authorities on this matter.

2.0 RECOMMENDATION

2.1 That the Portfolio Holder be authorised to enter into a Memorandum of Understanding (provided in draft at Appendix A) with the Liverpool City Region authorities in order to support the preparation of a Liverpool City Region Strategic Housing and Employment Land Market Assessment, subject to the Assistant Director Planning being satisfied as to the costs of, and funding for, the Assessment.

3.0 CURRENT POSITION

- 3.1 As Cabinet Members will be aware, the Council adopted the new Local Plan 2012-2027 in October 2013 and this has provided a strong basis upon which to make planning decisions in the Borough ever since, with an increase in applications (and permissions) seen and a healthy supply of housing land moving forward.
- 3.2 However, work on strategic planning matters does not simply stop now that a new Local Plan is in place. West Lancashire's neighbouring authorities continue to prepare their own Local Plans, and the Duty to Co-operate (introduced by the Localism Act 2011) places a legal duty on the Council, as a Local Planning Authority (LPA), to co-operate with its neighbours on strategic, cross-boundary matters as they prepare their Local Plans. Such co-operation must necessarily take place within the context of economic strategies and infrastructure proposals that are heavily influenced by the Lancashire and the Liverpool City Region Local Enterprise Partnerships (LEPs), the Liverpool City Region's Combined Authority and within the context of a Government agenda where housing and economic growth is central.
- 3.3 As such, even with a recently adopted Local Plan, the Council has to look forward and consider how the proposals, actions, aspirations and policies of neighbouring authorities, LEPs and by the Government will affect the Borough's Local Plan and development needs in the future, and work with our neighbours to prepare a robust evidence base on strategic, cross-boundary issues to inform the next iteration of the Local Plan.
- 3.4 One particular element of such a robust evidence base is the assessment of housing and employment land needs and for some time the pressure to prepare a City Region-wide assessment of these needs has been growing. As such, the seven LPAs that make-up the Liverpool City Region from a spatial planning perspective (Halton, Knowsley, Liverpool, Sefton, St Helens, West Lancashire and Wirral) are looking to jointly prepare a Strategic Housing & Employment Land Market Assessment (SHELMA) to inform the need for new housing and employment land across the City Region going forward.
- 3.5 The SHELMA will utilise population and household projections, economic forecasts and proposals for economic growth to identify the objectively-assessed housing and employment land need across the City Region as a whole and indicate options about how each authority could contribute to meeting these needs. It will then form the starting point for discussions between the authorities on the best way to meet those needs across the City Region, taking into account various environmental, infrastructure and planning constraints. Officers from each authority have worked together to draw up a scope of works for the SHELMA and are in the process of procuring an appropriate consultant to undertake the work.
- 3.6 Associated with this, a Memorandum of Understanding (MOU) related to the SHELMA has been drawn up for signing by all seven authorities (see Appendix A). The signing of the MOU would commit West Lancashire to working with the six other authorities on the SHELMA and on identifying how to meet the needs

that arise from the assessment and, in so doing, help to demonstrate compliance with the Duty to Co-operate.

- 3.7 The Duty to Co-operate (“the Duty”) places a requirement on LPAs, and other “prescribed” bodies, to co-operate on strategic planning and cross-boundary matters on an on-going basis. Failure to do so means that any new Local Plans prepared by an LPA will fall at the first hurdle at Examination by a Planning Inspector, as they will be found to have failed a legal test, meaning that the LPA must start all over again with its Local Plan.
- 3.8 The Duty also requires an LPA to continue to co-operate with neighbouring authorities and other “prescribed” bodies even after their own Local Plan has been adopted or face the potential consequence that their next Local Plan would fail the legal test under the Duty.
- 3.9 In addition, a key facet of the Duty is that it must have elected member support, with key decisions on cross-boundary matters and strategic planning issues being made and agreed by elected members.
- 3.10 The reason for the Duty is to ensure that LPAs and the “prescribed” bodies (which include statutory consultees and infrastructure providers) maintain an on-going dialogue with regard cross-boundary, strategic planning matters in preparing Local Plans and infrastructure delivery programmes.
- 3.11 Given that the Duty is still quite new, many LPAs are still coming to terms with it and seeking to understand, with their neighbours and infrastructure providers, how they ensure that they fulfil the Duty. A growing approach to fulfil the Duty across the country has been for neighbouring authorities to work closely together, at both officer and elected-member level, within functional economic areas such as city regions.
- 3.12 This working together can involve shared evidence base studies to inform all the LPAs’ Local Plans in a consistent manner; Memorandums of Understanding between LPAs to agree matters on specific cross-boundary issues; preparing joint strategic planning frameworks to sit above, and directly inform, each LPA’s Local Plans (much as the former Regional Spatial Strategy did, but with less weight in planning decisions); or even forming joint committees of elected members to decide upon joint Local Plans.
- 3.13 At this time, as the Duty establishes itself, it is potentially having significant consequences for emerging Local Plans, given that each LPA within an economic area is at a different stage of preparation of their Local Plan. In some cases this has led to LPAs failing the legal test under the Duty and there is no doubt that some of our neighbouring (or nearby) authorities will have a more challenging experience in trying to bring their Local Plans forward over the next few years compared to West Lancashire’s recent experience as a result of the Duty.
- 3.14 Whilst West Lancashire lies within Lancashire County, economically, large parts of the Borough primarily look toward Liverpool, as opposed to Preston or Manchester. However, the Borough clearly has economic links to all three city

regions and these must all be developed. This makes fulfilling the Duty somewhat more complicated for West Lancashire, but it is clear that the Council needs to focus on the Liverpool City Region (LCR) as it is this area with which West Lancashire has the greatest cross-boundary connections and therefore, in particular, the Council needs to work with neighbouring (and nearby) authorities within the LCR on planning matters to ensure that the Duty is fulfilled.

- 3.15 At an officer level, there is good co-operation between West Lancashire and all its neighbours, especially those in the LCR, and with the LCR Combined Authority (via Merseytravel) and Lancashire County Council as transport authorities. The introduction of the new LCR Combined Authority, of which West Lancashire has recently become an associate member, provides an opportunity for West Lancashire to establish closer ties with the LCR and demonstrate that it is an integral part of the LCR economic area.
- 3.16 Similarly, West Lancashire is a corporate member of the LCR LEP and is working with the LCR LEP to actively promote the Superport concept as a key element of the Atlantic Gateway. The LCR LEP is projecting significant economic growth for the LCR on the back of the Superport concept.
- 3.17 West Lancashire sits within the area of the Lancashire LEP, within which there is a growing acknowledgement of the potential strategic role of Skelmersdale, given its economic and social connections to both the Liverpool and Manchester City Regions and its potential role within the Superport concept.
- 3.18 As such, with key economic growth plans being prepared through the LEPs and Combined Authorities, West Lancashire must continue to build on the good existing working relationships with these organisations, neighbouring authorities and other key stakeholders to actively champion the benefits of investing in West Lancashire and ensure that they are fully aware of our key economic objectives for West Lancashire and the most vital infrastructure priorities. One way of doing so is to commit to working closely on strategic planning matters with the LCR authorities, as well as ensuring we have a presence in any discussion on economic planning and infrastructure matters.
- 3.19 Such work is already happening, and must continue, but in the light of the Duty, it is necessary to make more formal arrangements to enable all LPAs in the LCR and adjacent to it to demonstrate that the Duty is being fulfilled through an agreed mechanism to make decisions on cross-boundary, strategic planning matters. One such aspect of this is the preparation of a SHELMA jointly with the other LCR authorities.
- 3.20 Therefore, elected members from each authority are being asked to agree to a Memorandum of Understanding, to commit each authority to working together on this important study and to working together to address the needs it identifies.

4.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 4.1 The identification of an objectively-assessed need for housing and employment land in the Liverpool City Region has the potential to lead to Local Plans which

will have significant effects (both positive and negative) on sustainability. However, the matter raised in this report is at such an early stage that the impact on sustainability cannot be quantified at this time and in any event, this report is not seeking any decision that will affect sustainability but merely seeking agreement on a Memorandum of Understanding between the City Region authorities related to an evidence base study.

5.0 FINANCIAL AND RESOURCE IMPLICATIONS

5.1 West Lancashire's contribution towards the cost of the SHELMA, and the officer time involved in overseeing its production, will be covered by the existing Planning Services Revenue Budget.

6.0 RISK ASSESSMENT

6.1 Given that the signing of the Memorandum of Understanding only commits the Council to working with the other City Region authorities on a SHELMA and to the out-working of the results of that study through the Local Plan process, there is minimal risk for the Council in agreeing to the recommendation at 2.1 above.

6.2 However, were the Council not to agree to the Memorandum of Understanding, and so not participate in the SHELMA, this would likely have very significant impacts on the Council when it comes to prepare its next Local Plan, as it would be unlikely to be able to demonstrate that it has fulfilled the Duty to Co-operate and its evidence for objectively-assessed housing and employment land needs would be questionable.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no direct impact on members of the public, employees, elected members and / or stakeholders as a result of this report. Therefore no Equality Impact Assessment is required.

Appendices

Appendix A – Draft Memorandum of Understanding – Liverpool City Region Strategic Housing and Employment Land Market Assessment