**Coventry and Warwickshire Chamber of Commerce;**

**Comments on South Warwickshire Local Plan :Issues and Options Consultation**

1. **Background**

*This submission contains both specific comments on the text of the consultation document and general comments and issues the Chamber of Commerce wishes to highlight. As requested where the consultation questions are addressed they are referenced with the appropriate number and by the indicating the relevant Chapter and section of the document.*

The Coventry and Warwickshire Chamber of Commerce (referred to here as “The Chamber’) welcomes the opportunity to engage with the process leading to a new joint plan for Stratford and Warwick Districts.

Business across South Warwickshire and indeed the C&W sub region is heavily dependent on the overall supply of employment land and business premises. A key concern of the Chamber regarding the existing sub regional Coventry and Warwickshire local plan policy frameworks is that they have failed, over their life to date, to provide sufficient new employment land and commercial premises to meet both the needs of existing businesses and provide what is needed to attract new growth and businesses.

This new joint plan is therefore **vita**l to producing an adequate range of new employment land opportunities to supplement existing stock and which can meet long term requirements .It is important that new land is allocated to meet a full range of business needs and that the allocation of land is influenced by attention to Market Signals data and the views of industry and business.

To assist its input into the process the Chamber has formed an Employment Land Panel drawing on the expertise of its members, advisors and consultants with knowledge and expertise across the Coventry and Warwickshire sub region and the West Midlands. The Employment Land Panel would, in the future, like to engage with the team developing the planning framework on a regular basis. This would help ensure that the voice of business is represented as the overall plan strategy develops.

1. **General**

It is central that the South Warwickshire Local Plan produces a policy framework that encourages business growth and development. This should also ensure that it meets needs and requirements across the whole spectrum of the economy and across the whole plan period to 2050.In terms of this latter requirement the plan should be underpinned by a commitment to detailed monitoring of economic performance to ensure a good understanding of the economic performance of the plan and its policies. This would then facilitate changes and alterations to the overall strategy to take account of change identified.

Throughout the period to date covered by both the current Warwick and Stratford Local Plan frameworks (approx. 2011-2022) there have been sectoral shortages of employment land and evidence of mismatch between available supply and market requirements .This is evidenced in a number of sub regional and regional studies. The Chamber believes that there are several factors at work here including.

-The inadequacy of the overall amount of employment land allocations to meet market demand .In particular there is evidence of shortages of industrial land in areas adjoining key settlements.

-Affordability issues whereby new land allocations are, through market mechanisms, not available to some market sectors

-A failure to properly understand market dynamics that have led to land generally allocated for employment use ending up being directed to one sector –usually distribution or logistics.

-Mismatches between the scale of allocations and the prevailing market needs of particular areas across the new joint plan area.

The Chamber welcomes the more strategic approach offered by the new joint plan across the wider area of south Warwickshire. Employment markets tend to operate across local authority boundaries and the wider plan area offers an opportunity to better meet the full range of needs.

The draft Plan appears to advocate more disaggregated approach to meeting future employment needs. Therefore the suggested levels of employment land provision to both 2041 and 2050 indicate a separate allocation for B8 (warehousing and distribution) allocations, with Offices and General Industry having their own allocations .The Chamber welcomes this approach, though it would question if this goes far enough in disaggregating proposed supply? .

A key weakness of the current adopted plan allocations (for both Stratford and Warwick and indeed across the sub–region)is that ,in the main, they simply allocate land for general employment across all Use Classes. Particularly on the larger allocations this general approach leads to land coming forward for the highest value uses –generally Class B8 (Warehousing and Distribution) where values can approach residential values. This has then created shortages of general industrial land and in particular smaller scale units. These trends, drawbacks and issues are well documented in the report **Coventry and Warwickshire Market Signals Study 2019 produced by BBP Regeneration Ltd.** This was produced by the CW LEP, WCC and the local authorities across Coventry and Warwickshire and represents a key piece of relatively up to date market evidence and recommendations.

The draft Plan document is dominated by housing issues and much of the support evidence reflects this domination. Given the political profile of housing this is not surprising. However, the Chamber considers that the emerging new plan framework provides a major opportunity to give the local /sub regional economy equal prominence .The new plan needs to provide a framework in which the economy can grow and reach its full potential. This will require sufficiently large and more varied employment land allocations in appropriate locations across the plan area .In addition, as noted above, it is essential that there is a commitment to continuously monitoring the performance of the plan in terms of its economic impact. Recent changes in working patterns and the way market forces are creating new demands for new types of commercial space need to be properly accounted for in the new plan framework .As noted there isa strong emphasis throughout this consultation on housing provision .In future stages of the plan process, the Chamber wishes to see more detailed consideration of employment issues and how the new framework will tackle the changing patterns of work and employment.

While the Chamber acknowledges that both local authorities produce Annual Monitoring Reports (AMR’s), these are in terms of monitoring the local economy very general and are not consistent in their content. They provide very broad data not sufficient to understand the detailed dynamics of the land and property markets .The emergence of the new joint plan provides an opportunity to address this deficiency and develop useful data sets that will better enable measurement of the local markets.

**3.0 Specific Comments on draft south Warwickshire Issues and Options Consultation.**

**Chapter 3: Vision and Strategic Objectives.**

**Issue V2; Vision.**

Overall the Chamber supports the proposed Strategic Objectives and Vision for the plan area. However we would wish to see more explicit reference to creating a policy framework that seeks to support the continued maintenance, development and growth of the local and sub regional economy. Currently this is lacking from the Vision statement. We note that in the previous consultation there was a call for any plan to “be proactive regarding economic growth “. (Ref p 20)

**V3; Strategic Objectives.**

**(Ref Q-V3.1&2)** It must be recognized and evaluated that all new policies will create potential cost impact and the proposed shift in emphasis towards a “Zero Carbon “ South Warwickshire is likely to come at some cost to both public and private sectors. Thus the Chamber would urge that all relevant proposals in this long-term strategy are fully evaluated and costed prior to their introduction for their impacts on the local economy.

1. **Chapter 4: Meeting South Warwickshire sustainable development needs.**

**Issue 11; Sustainability Appraisal. QI-1.**

At this stage of the plan process and given a lack of more detailed evidence base on some relevant matters the Chamber does not support or endorse a specific growth option. However as set out the Chamber does favour adoption of growth options that promote sustainable development across the whole plan area and options which give prominence to the importance of developing the local economy of the sub region.

**Issue 12. Infrastructure. Q-12a&b).** It goes without saying that the provision of appropriate infrastructure of all types at the right time is vital to the creation of a successful economy and indeed to the survival and continued growth of Chamber members and their businesses.

During the current plan periods to 2031 the Chamber has been disappointed that infrastructure provision has not always kept pace with development or indeed provided to enable the growth of particular land uses .For example, there remain a number of employment allocations which are not coming forward due to a lack of necessary infrastructure, for example the employment allocations at Kenilworth and Stratford Road, Warwick. Experience suggests that more involvement by the public sector in bringing forward key infrastructure to encourage and facilitate growth in such instances could have created more economic growth.

Energy infrastructure provides a good example of another current deficiency in key infrastructure provision. In recent years we have been aware of specific examples where the lack of power/energy infrastructure has prevented new business relocating to key sites across the sub region, including examples in both Stratford and Warwick districts. This represents in part, a failure of the land use planning process to provide the correct framework. The understanding of energy supply and capacity issues to facilitate expansion and development of businesses and has been limited .It suggests that there is a poor understanding of the mechanisms and processes that underpin energy provision and a proper appreciation of the complexity of the processes involved in this provision. It seems likely that energy is only one of a range of infrastructure issues where a greater understanding of how infrastructure mechanisms actually operate is required. This points to a need to better understand the situation across the local plan area and to understand precisely how individual proposals will be serviced and facilitated. At the moment there is no evidence base to support the view that this assumption is incorrect.

**Issue 13 .CIL Q13a&b.** Currently we would favour retention of the existing system of Section 106 and CIL as operated locally. We note that reforms of the whole framework of developer contributions are promised by central government and it seems wise to wait to see the scope and extent of national reform before adopting a new position for South Warwickshire.

**Issue 15: Viability and Deliverability. Q-15**

The Chamber welcomes the commitment to ensure that new proposals and allocations are fully “tested “ in terms of viability and deliverability. In the current economic climate there are a number of commercial land uses that may not be viable and a good understanding of different markets and sectors will be important when considering the deliverability of proposals generated in the plan framework.

It should be acknowledged that based on the current adopted plans this has not always been successfully achieved. Lessons based on past experiences and outcomes need to be taken. As noted below the Chamber wishes to see all current employment allocations re-tested and reviewed in terms of likely deliverability.

**4.2 .Development Distribution Strategy for South Warwickshire**

**Issue S1: Green and Blue infrastructure. Q S1a&b.**

Overall the Chamber supports the overall “hierarchical “ approach to settlement planning outlined in the emerging strategy. However, as the Chamber has noted above , there is a lack of real detail supporting much of the emerging strategy and the Chamber will await further evidence and background information before making specific comment on the distribution strategy.

The Chamber particularly welcomes the recognition in the draft proposals relating to a much clearer appreciation and proactive understanding that improving both “green “ and “blue “ infrastructure environments must be a key and proactive part of economic and social planning rather than simply an “afterthought”. The Chamber recognizes that this specific distinctive treatment of infrastructure has potential to contribute proactively to the planning of industry; and employment and can improve the quality of life in South Warwickshire.

**Issue S2; Intensification. Q-S2 a,b,c.** The Chamber cautions against the use of this blanket approach. Over the past 10 years against a background of greater differentials in prevailing land values much employment land and premises have been lost principally to new housing. Indeed this has been reinforced by national policies .At the same time many local planning authorities have failed to protect areas of employment concentration particularly in urban areas .The effect of this has been a loss of cheaper often lower quality business space. This type of space forms a vital component of a functioning employment land market. The result is that there are now significant “gaps’ in the provision of some types of employment and business space. Perhaps the best current example is storage space where much of the stock of such spaces and premises in urban areas has been lost. These losses have often generated unsustainable alternative locations in rural locations.

The general concern is that by a process of intensification losses of important elements of cities, towns and smaller communities are lost. On a related point, the Chamber is concerned with an overreliance on the new Use Classes Order to allocate and regulate commercial space. See the Chambers comments below which relate to the same general point.

**Issue S3: Using Brownfield land**. Q**-S3.1**, **3.2a-c.** It is national policy to prioritise the development of brown field land. However it must be acknowledged that the policy as applied in recent times is partly responsible for the loss of significant areas of valuable small scale industry and business premises and a loss overall of employment land. This is well documented. In particular the application of the policy has resulted in the loss of significant land and premises that provide accommodation at the lower end of the market and which has eroded the supply of cheaper more affordable premises.

In some local authorities this is recognized and is balance by policies that seek to protect local businesses and require that if brownfield land that supports employment use is threatened then a detailed assessment and balancing of priorities is under taken .The Chamber fully supports such a policy approach to “testing “these development pressures .The adopted Rugby Borough Local Plan contains a comprehensive policy (ED1: RBC adopted local plan) that seeks to protect its stock of employment land and establishes a series of “tests’ in the event that changes /loss of employment land is promoted .The Chamber fully supports this type of comprehensive policy that would go some way to protecting employment assets.

**Issue S4: Growth of existing settlements** **Q-S4,1-2** The Chamber agrees that the existing framework and hierarchy of settlements provides a good basis for future land use allocations .The Chamber would like to see a range of new employment land provided across the existing built framework. There appear to be good opportunities across all settlements of varying size to facilitate and allocate the provision of new employment allocations of an appropriate scale. In this way it will encourage a better relationship of homes and job opportunities and underpin sustainable development .As recognized by the SDC draft policy framework in relation to Employment Enabling Sites (ref SAP 8- draft Site Allocations Plan 2021)there are opportunities to provide a supply of small scale low cost affordable units in smaller communities and settlements.

**Issue S5, The potential for New Settlements. Q-S5.1,2,3,4** As recognized in the text of the document, with the plan framework running to 2050 it seems likely that the provision of new settlements will be required to sit alongside growth provision achieved by extending settlements. Therefore the Chamber supports the initiative.

The difficulty of establishing a genuinely sustainable new community, as distinct from a large housing scheme, represents a major challenge. Fundamentally it requires significant resource and commitment from both public and private sectors.

On a point of relative detail it is suggested that more in depth work is carried out to look at development thresholds and viability in new communities. Put another way how do we create genuinely sustainable new development? There is a considerable pool of experience and knowledge to draw on. The New Towns programme and the Garden City developments exemplify this. They provide evidence that in order to support good levels of facilities and services significant scale and concentrations of development are required. Otherwise without sufficient “critical mass” small scale new settlements run a danger of evolving into large isolated estates with minimum facilities and become “car dependent” .The thresholds quoted (Ref; Table3, p48) seem low but the consultation is not clear about what actual scale of new settlement is being tested. As an example it seems highly unlikely that the rail industry, and particularly the Train Operating Companies, would be prepared to open a new railway station on the basis of the 6000 dwellings quoted (ref; Table 3 p48.)

The Chamber of Commerce would support a bold long term planning approach whereby a policy framework that includes new settlements would set out ambitious and long-term aspirations for relatively large-scale new communities. This would include the provision of significant new jobs, community facilities, environmental and social infrastructure alongside significant dwelling provision. This will increase the sustainability of the overall strategy and deliver a wider range of jobs.

**Issue S6. Green Belt boundaries**. The Chamber fully supports and welcomes the stated intention to review current Green Belt boundaries as referenced at Issue S6 (page 57) in the draft document.

Given the duration of the strategy and the wider sub regional growth context it appears unlikely that the levels of growth indicated in the HEDNA papers can be accommodated without changes to green belt across this plan and indeed across the sub region .The Chamber would support this review for the joint plan area being done in conjunction with this review and that it should not be dependent on individual reviews of the whole sub region .This is because the timing and programmes of other areas largely remains unclear and a wider GB review could seriously delay this plan .There already exists a reasonably up to date technical evidence base (reference here to Land use Consultants Study 2016).This work could form a good baseline for further work on altering the relevant green belt boundaries across this plan area. It would also save time and resources duplicating previous relatively recent work.

**Issue 7. Options for Growth. Q-S7 2 Options 1-5.** At this point in the plan making process the Chamber feels that there is not enough evidence base or complete information to support any single growth option. Generally, the Chamber supports the Options that feature a strong economic emphasis and content .The Chamber notes that there is considerable overlap between many of the options. Options 3&4 align most closely with the Chambers aspiration to see the plan underpinned by strong economic principles but other Options, say 1(Rail Corridors)&2(Sustainable Travel) would be easily adapted to reflect the Chambers position. The adoption of a dispersed development strategy as set out in Option 5,appears unlikely to be the basis of a long term sustainable development framework that can underpin a growing economy .

As noted above caution needs to be applied to embracing rail-based options that depend solely on rail .The whole rail system in the UK remains in a state of flux and national reforms and major investment are required to create capacity to address current operating difficulties. Rail travel is underpinned by complex public and privately operated systems that need to be fully understood in order to develop new and practical rail based growth. We see no evidence that the rail based options set out here have been “stress tested ‘ in terms of feasibility and deliverability.

**Issue S8. Small Scale Development outside the spatial growth option. Q-8.1&2**

It follows from the Chambers comments above that it would strongly support small-scale development outside of the chosen spatial growth option. From an economic point of view it essential that the development strategy facilitates a wide range of growth and maximized opportunity for new job creation in a variety of locations including rural areas and small communities. It whole-heartedly supports the view that small-scale development can play a role in maintaining the vitality and viability of small settlements. This general approach should encompass encouraging the provision of new employment allocations in smaller communities usually rural areas. We would not advocate so called “ threshold approach “, which might unduly constrain and discourage entrepreneurial opportunity. We do not believe that a firm “threshold “ approach gives sufficient flexibility to meet all circumstances. Here the thrust seems to be focused on housing and not commercial development.

**5.0. Chapter 5: Delivering South Warwickshire’s Economic Needs**

The central focus of the Chamber’s current interests lie in this chapter of the Issues and Options consultation. It welcomes the recognition set out here of the importance of a strong local economy .It supports the focus on diversifying and widening the south Warwickshire economy. The Chamber cautions against a local policy framework that seeks unduly to focus on particular sectors of the local economy without recognizing the benefits of other less high profile industry types. Similarly general policies of intent and aspiration are of limited value without commitments to necessary resources and clear paths towards implementation of the policy. This is partly because there is considerable fluctuation and change in the global economy and it would be wrong at a comparatively local level to produce a plan that seeks to over prescribe in terms of particular sectors.

In terms of the question in **Q-E3** relating to having policies for individual sectors, we are concerned that a general long-term land use plan framework is able to assist growth of particular sectors without an indication of resources or support for the sector.

**Issue E1**

**Q-E1.1&2 .HEDNA** –The Chamber has commented in a separate submission on much of the detail in the HEDNA. Generally we would caution against an overreliance on a statistical set of projections .It is noted that the Governments National Planning Practice Guidance (NPPG), which was updated in July 2021,is intended to set out how the government’s NPPF policies are expected to be applied. Paragraphs 025-032 of the NPPG deals with best practice in determining Economic Needs Assessments for development plans.

While the work carried out by the consultants who produced the HEDNA appears comprehensive, the Chamber is unsure how closely the guidance has been followed to produce and calculate the overall growth requirements in the HEDNA?

Two examples are:

(i)The NPPG places emphasis on the use of market signals and market intelligence data –preferably drawn over long periods of time. While consultants were employed as part of the process of determining the overall numbers, the text suggests that the market intelligence used is largely a snapshot rather than a long term analyses .The is no reference to the 2019 sub regional C&W Market Signals Study (referenced above )which both LA’s were parties to and which sets out a thorough evidence based related to market signals for all local authorities in the sub region.

(ii) The NPPG contains guidance on methodology and approach to planning for logistics and distribution sectors in para 031. Again the Chamber can see no detail or evidence how the plan preparation has followed the recommended approach or sought to obtain evidence base to inform the approach. Instead the table sets outa separate target figure and no detail relating to what evidence supports this or how it was determined?

The previous adopted development plan (2011-2031) frameworks for the Coventry and Warwickshire sub region seriously underestimated the overall demand for employment land and made incorrect assumptions about the take up of new land allocations .They also failed to recognize that a substantial “pool ‘ of sites of varying types is essential to achieve a healthy employment market with a turnover of properties that allows growing businesses to expand and not relocate out of the area. We advocate more detailed evidence based work and adherence to national methodology relating to likely levels of market demand for all sectors .In, addition as noted above it is essential that overall performance is monitored.

**Issue E2 .A low carbon economy:QE-2 a,b,c** The Chamber supports the general sentiments set out in the document on these issues. It supports efforts to cncourage businesses to move to Zero carbon but wishes to understand how resources might be directed to this general objective?However.it also considers that detailed “over prescriptive” policies aimed at particular sectors may not be effective.

Indeed it is also important to appreciate that such policy relating to low carbon policy making may, inadvertently, impose additional costs on local businesses. This is particularly true of small businesses that make up the majority of the sub regions enterprises. If policies are to be brought forward to address low carbon initiatives these need to be carefully coasted, be introduced on a phased basis and their likely overall impacts set out in the supporting evidence with reasoned justification.

The Chamber would welcome further discussions on this important matter and we would wish to explore what resources are available to assist the shift over to low carbon across a range of sectors in the local economy. As noted small business is generally less well equipped to deal with policies that carry costs burdens.

**Option E2 (a).** There is merit in the overall aspiration here to create employment areas where similar or compatible business can co-locate together. There is a danger that too much prescription may stifle business innovation and entrepreneurial activity.

**Option E2-b**.It is difficult not agree with the general sentiment. However operating such policies at a local level when surrounding areas do not have such requirements risks driving business away to local authority areas without similar requirements.

**Issue E3. Diversifying the economy. Q-E3**  Achieving these aims across the whole economy is seen as important. Across the West Midlands and across the local plan area there are a number of business development organisations and regional /national initiatives aimed at assisting the diversification of local economies. Any policy framework needs to be integrated with the work of these organisations and authorities and the access to resources they might provide.

**Q E3c** .On a matter of detail raised, the Chamber does not favour the use of Section106 provisions to regulate the recruitment of staff ,initially favouring locally recruited workers. There are well-documented widespread labour shortages and disrupted supply chains in some key sectors of the national economy. This is also true of the local economy. The imposition of this type of restriction would hold back immediate progress of new development schemes. There is experience of these policies across Greater London and that they have inadvertedly led to delays and imposed costs on businesses.

**Issue E4.Sustaining a rural economy. Q-E4.1-4.2** The existing policy framework of the two adopted local plan areas seems appropriate at the strategic level subject to combining these in an appropriate way.

The Chamber wholeheartedly supports the continued development and diversification of the rural economy. The general sentiments set out,are difficult to argue with .The Chamber is unsure of what additional measures can be captured in land use planning policies and which do not run a risk of stifling innovation and entrepreneurial activity .Development management policies and the current Use Classes framework allow considerable flexibility in repurposing spaces for new uses .As pointed out ,resources are an important consideration in developing the rural economy and a multi agency approach by the public sector is essential .If land uses policies that encourage cooperation between agencies can be developed that would seem a major benefit.

Overall**,** while there is no harm in general policy that encourage and support more small-scale rural businesses, the Chamber cannot see the benefit or added value in more specific policies without a linkage to resources and particularly financial support. Support for small business is essentially an inter–agency operation and there is no evidence that this has been factored into the text outlined.

**Issue E5: Lack of Business Accommodation. Q-E5 a&b.**  This is an issue of central importance to the Chamber. Some currently sectors do suffer from a shortage of suitable premises and accommodation .In part this may be addressed through additional allocations but often there is an issue of affordability. The following key principles need to be adopted

* Greater protection of existing business areas and premises so they are not “ lost “ to housing development.
* Policies that encourage and facilitate the repurposing of retail units for a wider range of commercial activities.
* New allocations for “affordable “ small scale “ activities.
* Support the provision of the widest possible range of business units including the upgrade and modernisation of existing stock .

The Chamber is not clear, on the basis of the commentary set out here, what benefits accrue from general policies as suggested. There is a good analysis of the problem in the text but the Chamber is not clear what solutions are being advanced to address the difficulties identified? The current policies in the two adopted local plans should be dovetailed and rationalize to produce one set of consistent and clear policies.

**Issues E6&7.Core Opportunity Area (COA) and Major Investment Sites(MIS)**

**Q-E6a&b ,E7.2 a&b.**

As listed in the consultation the new plan area should contain a number of important economic assets that should be nurtured and where appropriate expanded over the plan period.

Rather than a general policy to “blanket” these assets, the Chamber favours specific and targeted policy individual site frameworks for some but not all these important assets .For example, the Chamber is aware of the benefit created by the policy in the current Stratford Local Plan that seeks to protect and develop Wellesbourne Airfield. This has proved important in the defence of the County’s last remaining hard runway based airfield –an asset that increasingly has considerable future economic development potential.

The principle of directing growth to a particular general part of the plan area –the Core Opportunity Area is only likely to be effective if the land use policy framework is aligned and supported by a full range of policy initiatives and fiscal support measures including inward investment, national and regional grant focus and a concentrated focus on the chosen area and sites by all public agencies. This requires “buy –in “beyond the scope of land use policies. The cooperation of Warwickshire C. C. (WCC) and the West Midlands Combined Authority (WMCA) in this initiative is essential. On the basis of the limited information given here, we do not favour prescriptive policies seeking to channel growth towards the Core Opportunity Area.

We support the principle of allocating additional land adjacent to the MIS where appropriate (**Ref Option E7.2a7b**). However this should take place against the background of a thorough overall review of each of the major MIS areas.

**Issue E8: Existing Employment Sites. Q-E8 .1.E-8.2-8.4**As noted throughout this representation we fully support the protection of employment land assets of all types and sizes.

However, the Chamber is concerned with the proposal to simply “roll forward “ all existing employment allocations without any evidence that these have been reviewed and fully understood. There area number of prominent sites where we see no evidence that the sites are likely to come forward. Therefore retention of such sites as part of the overall employment allocations is, in effect, reducing the quantum of allocated land.

We do not wish to go into great detail on each of these sites but sites at Kenilworth, Stratford Road Warwick, and the JLR “reserve “ at Gaydon -all good examples where there is no apparent evidence related to likely timing.In terms of the latter site, as recognized in the text this site /location represents a highly significant potential land resource alongside the M40 motorway. The land offers great potential for a wide range of commercial and employment uses. Continuing to “reserve ‘ the land for one particular user and in which JLR have no legal interest seems wrong.

In contrast the proposals set out to review and maintain a modified Atherstone Airfield allocation appear appropriate and are supported (**ref Q-E8.1).**

(**Q-E8.3, 8.4)** In terms of testing retention of business premises and land against marketing, viability and alternative tests we support this type of policy. There are examples across much local plan area of these policies and it is apparent that some policies are more effective than others. It is noted have noted above that the adopted Rugby BC local plan contains in **Policy ED1** **(Protection of Rugby’s Employment Land)** a comprehensive “test “ based policy that appears robust and effective in protecting employment land and sites.

The Chamber would strongly advocate more research and liaison with local authorities that have operated this type of policy. For example, different degrees of rigor in terms of marketing time periods are evident in the policy examples and it seems essential that marketing evidence is properly documented and carried out of a reasonably long period of time .The Chamber would be happy to discuss this further with local planning authorities.

**Issue E9. Supporting our changing town centers**. **Q-E9a&b**

By common consent, this issue is a high priority short-term challenge not only across this plan area but also generally across the UK. Here policies encounter strong market forces, which are altering the content, function and operation of town and district centres. There are questions about how much land use planning can alter these market dynamics.

The text of the consultation document summarises the challenge and largely the Chamber supports the approach outlined subject to rationalizing and aligning the current policies in the two plan frameworks. We agree that many of the issues are appropriate to detailed planning guidance and would sit comfortably in Part 2 of the new plan .In an addition there are many issues here covered by the application of the Use Classes Order. For example, it might argued that the changes enacted to the Use Classes Order in 2020 and most notably the introduction of new Use Class E has weakened the ability of the land use planning process to control and change town centres and other

similar retail concentrations. The weaknesses created by the new broader Use Classes framework needs to be considered and a range of possible measures considered.

The new plan should adopt a more “sectoral ‘disaggregated policy approach to town /district centre uses, that moves away from a reliance on a Use Classes Order that is not able to discriminate between sectors and simply favours the change of use of land to that with the highest use value. There are good examples of these weaknesses that have unintentional consequences.

a)The shortages of open storage land and spaces has serious consequences for the operation of communities. Over the past seven years these shortages have created steep rises in land values .It is important for land use planning to seek to protect remaining stocks of storage land and premises so that built up areas can function efficiently. This will have an additional benefit that travel (and freight) movements are minimized. However brown field land policy and general allocations for employment land mean that storage space continues to be lost to higher values.It is rarely protected as the asset that it represents . A more sectoral plan framework is required.

- b) Similar problems arise with low density commercial land uses uses such as R&D space and indeed some types of new office space .Often these specialist low density uses cannot compete with pressures from other high value uses notably housing and distribution land .The operation of general Use Classes based policies does not protect some key sector employment needs and in particular land required by small scale “start ups”and “niche” specialist scientific businesses.

Consideration should be given to further encouragement by appropriate policies to the “repurposing “of town and village centre retail buildings for other employment uses and policies that seek to selectively resist change from retail to residential which is facilitated under the new Use Classes Order (2021). Already in some of the larger towns in Warwick and Stratford Districts there is evidence that market forces have allowed under new class E, some former shopping units to be converted to small business premises such as offices and workshops .If these market trends could be treated more “sectorally’ and aligned with more financial support measures this could improve the stock of employment land being better aligned to changing needs.

**Issue E10. Tourism. Q-E10**

The Chamber fully supports the further growth and expansion of the visitor economy and tourism. The development plan framework must positively support this development. We agree with the broad sentiment of the consultation that the role is “spatially non- strategic” and that Part 2 of the proposed joint plan will be an appropriate place to address most issues of the development .

**Issue E11.Any other economic issues about SW economic needs. Q-E11**

As noted above we believe the monitoring and measurement and, if necessary, the subsequent alteration of the Plan’s economic policies is an essential ingredient of an effective long-term plan for the area. The use of detailed “Market Signals and Intelligence ’ as exemplified in the 2019 SQW Study(referenced above) sets out many appropriate parameters that should be looked.

These submissions have pointed out the deficiency in the broad approach to planning for employment land using Use Classes –there are deficiencies in the broad classification of the new Use Classes and they are often too broad and general.as noted, generally the Chamber favours a more detailed “sectoral “approach .

A good example would be logistics and distribution .The Chamber sees merit in the approach employed in Leicestershire, whereby rail based distribution is treated separately from road based logistics and distribution. The Chamber favours greater commitment to rail based logistics and distribution. This would accord well with the general objectives in the plan to align policy to decarbonize transport and remove freight from the road network.

The Chamber sees merit in establishing an effective monitoring based measure or target, based around developing a “**5 year employment land supply test** “.This would apply to the plan area .It would draw on parallels from housing policy where this measure has been a long term metric. This initiative would require that the plan has, at all times, a readily available 5 Year Supply of new employment land ready for take up /implementation in the market .In the Chambers view this would represent an easily measurable metric capable of monitoring and equip the area with a range of immediately available land opportunities.

The Chamber is aware that the concept of “5 year supply” relating to housing policy may be removed by changes to national planning policy .In this event it recognizes there may be reluctance to introduce the concept for employment land .As an alternative consideration should be given to the introduction of “criteria based” policies to control the provision for specific sectors. Good examples of such policies can be found locally in development plan policies for North Warwickshire (ref Policy LP6, Additional Employment Land In North Warwickshire) and NW Leicestershire (ref EC2 .New Employment Sites in NW Leics )

The Chamber considers these types of policy approaches depend on monitoring and measurement across the plan. This would assist Inward Investment to the area and align well with the work of the Inward Investment and business development agencies that are active across the area.

**Chapter 6 –Delivering Homes that meet the needs of our communities**

The Chamber recognizes the importance of the linkages identified between the provision of sufficient housing and types of dwellings to meet local requirements and the importance of such a supply in ensuring a sustainable and growing local economy.

**Issue Q-H1-1**. Following on from the importance of the link between housing and the local economy, the Chamber supports the use of the “trend –based “ approach/methodology in establishing the appropriate level of housing requirements .The alternative (2014- based household projection method)set out would seem to “bake in “ a shortfall of housing relative to recent market performance. This could lead to undesirable consequences for the local economy.

**Issue H2.Q-H2-2a&b**The provision of a supply of Affordable Housing is by the same token an important ingredient of a balanced local economy .The draft recognises the challenge of maintaining a sufficient supply of affordable housing .

**Section 106** agreements have provided a major source of deriving affordable homes associated with the development of larger scale housing developments. This must continue and the Chamber would caution against an alternative approach where the mechanism of S106 agreement’s to achieve this provision is abandoned .In addition, the Chamber would welcome further initiatives created by joint working with other social housing providers and any initiative to directly build more local authority housing stock that can be effectively controlled by local authorities.

**Issue H4; Sub Regional Housing Provision** .In principle, the Chamber supports a regional approach to the provision of both housing and employment provision. Thus it follows that where south Warwickshire may agree or is required to take additional housing and employment provision from surrounding areas it should do so .

**Ref. Q –H4-1-3**.It is, of course, a matter of regret that no formal sub regional mechanism exists as part of the formal land use planning process . However, the Chamber fully supports the continuation of the strong cooperation, joint working and liaison across the region and sub region that has characterised the period since 2011.It is essential that this continues across the next plan period .It is regrettable that the development plans across Coventry and Warwickshire are not moving in step in a coordinated manner. However there is an opportunity for this joint plan “to set the agenda” for the subsequent local plan reviews across the Sub –region.

**Chapter 7. A Climate Resilient and Net Zero Carbon South Warwickshire.**

The Chamber is supportive to the objectives set out in this Chapter. It recognizes and acknowledges that the Plan has a role to play in tacking the climate change. However, it must be emphasized that the introduction of measures and policies must always be fully costed and their impacts on business and commerce be properly understood before measures are adopted. As we have continually emphasized in this submission, small businesses that are the lifeblood of the economy of the new plan area, are not always well equipped to bear the impact and consequences of new policy initiatives.

As pointed out elsewhere in this submission, the Chamber is concerned that if policies to move to Zero Carbon are not replicated in surrounding areas then they may create the unintended consequence of encouraging business to relocate to nearby areas where new initiatives have not been introduced.

**Issue C4.1 a-c and C5 a-c : New and Existing Buildings** .The Chamber does not favour developing a policy framework that requires measures that go ahead and beyond of new Building Regulations. This would be particularly the case for new commercial buildings and offices. Currently, due to dramatic increases in building costs, especially for buildings that require large quantities of steel such as warehouse, offices and factory buildings there are significant viability issues associated with the ability to add new stock to parts of the sub regions commercial stock . Land values and rental levels in many parts of the region mean that much new development is very marginal and finely balanced. Imposing new plan based requirements could completely remove the possibility of new development in some sectors and for some types of space .This would severely handicap and hamper the growth of the local economy .

The same factors would be at work with the existing building stock should net zero requirements be imposed in the plan area ahead of national requirements .It also follows that any changes should be introduced on a phased basis and spread over a relatively long period of time.

**Chapter 8.Well Designed and Beautiful South Warwickshire**

**Options c8a-b**

In introducing new initiatives related to design, the Chamber would emphasise that costs impacts of new measures need to be understood and properly evaluated. The Chamber would also not support prescriptive policies in relation to density of development .As set out above some commercial development and land use types require low density layouts-for example the biomedical and scientific sectors as well as many logistic and distribution schemes. Setting blanket density policies could cut across the proper provision for some commercial land uses. Storage land and space represents another commercial land use type where pressures from brownfield land policy and density increase could seriously impact the overall provision of the use.

**Chapter 10.A well-connected South Warwickshire.**

**Q-T1a-c.** The Chamber supports the ambitions to create highly sustainable communities and minimize travel. However, the promotion of 20-minute neighborhoods and introduction of restrictions on movement as outlined here could be incompatible with the requirements and needs of industry. There is a lack of detail presented here in terms of developing these local neighborhoods. Until more information and evidence is available the Chamber cannot support such initiatives .If there is evidence that local economies can function effectively then the Chamber would be pleased to alter this negative reaction.

**Issue T2-Sustainable Transport accessibility.**

**Options T2a&b** The Chamber does not favour a hierarchical and selective application of measures that might hold backsome areas at the expense of others. A general application of policy would seem fairer to both urban and rural based business across the Plan area.

The Chamber has noted in comments set out above, that it would favour separate policy initiatives to cover warehousing and distribution that is served by rail and by road . There appears to be good potential in the plan area and surrounding areas to further develop and expand rail freight transport. This would have the added benefit of reducing pressures on the road transport network.

**Issue T3 a&b : Road travel,employment and freight.**

The Chamber endorses the analysis and the key issues highlighted here. The text highlights the need to shift road transport to electric vehicles .The current deficiencies associated with the “roll –out “ of electric vehicles are well documented. There is a key role here for local authorities to make more resources available to support the shift. However, simply seeking to discourage and prohibit current “carbon “based road transport is too crude a policy response and will only damage the local economy across the plan area .There is a limit to what land use planning can achieve regarding these ambitions. The development plan will need to tread a fine line here to maintain local economic growth and buoyancy.

**Chapter12: Plan Content. Q-P1.1.**

The Chamber broadly supports the proposed content and structure for the new plan as it is outlined in the consultation. There are some questions about which content and proposed policies sit in Part 1 or Part 2 of the new plan and this will require additional research and evidence to be available in order to produce a firm view on some of the questions and issues raised.

**Next Steps**

**The Coventry and Warwickshire Chamber of Commerce has been pleased to engage with this important consultation related to the emerging South Warwickshire Local Plan .It would welcome an opportunity to further engage with the two local authorities to elaborate and develop some of the detail set out above that underpins the views set out.**

**C&WCC. 01.03.23**