

Duty to Cooperate:
SHMA Methodology –
Memorandum of understanding
between the Berkshire local authorities

April 2018

1.0 Introduction

1.1 The National Planning Policy Framework (NPPF) (published 2012) requires local planning authorities to have a clear understanding of housing needs in their area. To achieve this, they should prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries.

2.0 The Berkshire (including South Bucks) Strategic Housing Market Assessment

2.1 The six Berkshire authorities have constructively collaborated over several years to meet the requirements of the NPPF.

2.2 This collaboration has resulted in the "*Berkshire (including South Bucks) SHMA*", published in February 2016 (the 2016 SHMA), which identified the housing market areas in which the Berkshire authorities are situated and the scale and mix of housing needed between 2013 and 2036.

3.0 Housing Market Areas

3.1 The 2016 SHMA identified two best fit housing market areas for Berkshire and South Bucks authorities. These best fit housing market areas are:

- The Western Berkshire Housing Market Area which consists of the boroughs of Bracknell Forest Borough Council, Reading Borough Council, West Berkshire District Council and Wokingham Borough Council.
- The Eastern Berkshire and South Bucks Housing Market Area which consists of Slough Borough Council, the Royal Borough of Windsor and Maidenhead and South Bucks District Council.

3.2 The 2016 SHMA definition of the above best fit housing market areas is strongly supported by the Berkshire authorities as the appropriate geography to consider housing provision in the Berkshire and South Bucks area.

4.0 Demonstrating the Duty to Cooperate

4.1 The Berkshire authorities have agreed to work within their respective best fit housing market areas to develop close duty to cooperate working relationships with their housing market area partners.

4.2 The Berkshire authorities will use their best endeavours to ensure that the full objectively assessed need for housing, identified by the 2016 SHMA, is met, as far as is consistent with the policies set out in the NPPF, within each respective housing market area that generates the need.

5.0 Review

5.1 This document will be reviewed, as required, to take account of relevant changes to national policy and guidance.

6.0 Appendix

- 6.1 The appendix to this document sets out the position of Chiltern District Council and South Bucks District Council. Its content does not reflect the views of the signatory authorities to this Memorandum of Understanding.

Signed:

Appendix

This appendix sets out **Chiltern and South Bucks District Councils' Position on the Berkshire (Including South Bucks) Strategic Housing Market Assessment**. The signatories to this Memorandum of Understanding do not agree with this position. It has been included for completeness given that the Berkshire SHMA includes South Bucks.

1. Chiltern District Council and South Bucks District Council are undertaking a joint Local Plan. The Councils do not agree with the Berkshire SHMA as:
 - a) it does not define functional HMAs;
 - b) does not appropriately take into account the functional market relationships across the Eastern and Western Berkshire defined HMAs;
 - c) incorrectly includes South Bucks District in the Eastern Berkshire HMA through 'best fit' principles;
 - d) does not use the latest data to inform its definitions; and
 - e) is inconsistent with the Functional Economic Market Area definitions used in Berkshire.
2. In addition the South Bucks housing need is being met through co-operative working in the Buckinghamshire HMA and to include provision for South Bucks housing in the Eastern Berkshire HMA will result in double counting of need.
3. As a result the Councils consider the Berkshire SHMA to be an unsound approach to plan-making and is preventing at worst or hindering at best essential duty to co-operate discussions across the Eastern and Western HMAs in the context of the emerging Slough Local Plan anticipating having a significant unmet housing need.
4. The Berkshire authorities in agreeing this Memorandum of Understanding (MofU) have made amendments to an earlier Berkshire MofU of May 2017 where cross-working across the Eastern and Western HMAs on meeting collective housing needs has been specifically removed (paragraph 5.1). This is considered to amount to a failure across Berkshire in meeting the Duty to Co-operate for a key strategic planning matter – meeting objectively assessed housing need arising in Berkshire.
5. The Councils are seeking to resolve concerns under the Duty to Co-operate with the Berkshire authorities (e.g. reference, "Buckinghamshire Local, Planning Authorities and Bucks Thames Valley LEP Duty to Co-operate Position Statement in relation to Slough Borough Councils' Emerging Slough Local Plan, June 2017") and are promoting a Sub-Regional Growth Study based on Slough with the first outcome being the definition of the functional HMA which Slough forms part.
6. Until the above matters have been satisfactorily addressed the Councils will need to continue to raise Duty to Co-operate failure and soundness concerns for all emerging Berkshire local plans.