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SENT BY E-MAIL AND POST

11th November 2016

Dear Sir / Madam

## **RUGBY PRE SUBMISSION LOCAL PLAN CONSULTATION**

### **Introduction**

Thank you for consulting with the Home Builders Federation (HBF) on the above mentioned consultation. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing. We would like to submit the following representations and appear at future Examination Hearing Sessions to discuss these matters in greater detail.

### **Duty to Co-operate**

Under S110 of the Localism Act 2011 which introduced S33A into the 2004 Act the Council must co-operate with other prescribed bodies to maximise the effectiveness of plan making. The Duty to Co-operate requires the Council to "*engage constructively, actively and on an on-going basis*". The National Planning Policy Framework (NPPF) sets out the high level principles of the Duty (paras 156, 178 – 181) and 23 paragraphs of the National Planning Practice Guidance (NPPG) provide more detail about the Duty. In considering if the Duty has been satisfied the outcomes arising from the process and the influence of these outcomes on the Plan should be considered. As defined by the NPPF one required outcome is the delivery in full of objectively assessed housing needs (OAHN) for market and affordable housing in a housing market area (HMA) (para 47) including the unmet needs of neighbouring authorities where it is reasonable to do so and consistent with sustainable development (para 182).

Rugby Borough Council is an integral part of the Coventry & Warwickshire HMA therefore the Council has a role to play in the meeting of full OAHN across the HMA including any unmet needs arising from Coventry. It is proposed that the city's unmet needs are met elsewhere within the Coventry & Warwickshire HMA. The proposed re-distribution of these unmet housing needs is based on a mathematical calculation of the percentage of migration patterns / house moves and commuting patterns between the city and its neighbouring authorities. The basis of this re-distribution is reasonable but it is suggested that this proposal should have been subject to some form of Sustainability Appraisal testing for the HMA as a whole because without doing so the re-distribution strategy risks been found unsustainable in one of the authority areas at a later stage in the plan making process jeopardising the meeting of Coventry's unmet needs elsewhere in the HMA and the meeting in full of OAHN in the HMA.

The Coventry & Warwickshire HMA authorities (except Nuneaton & Bedworth Borough Council) have signed a Memorandum of Understanding containing a commitment to use their best endeavours to deliver housing numbers to meet in full an OAHN for HMA of 85,540 dwellings between 2011 – 2031 (or 88,160 dwellings if 2,620 dwellings for growth arising outside the HMA are included) as shown in a re-distribution Table. The authorities are expected to prepare Local Plans that reflect these agreed housing numbers subject to the completion of SHLAA work. The Memorandum of Understanding will be reviewed as a result of co-operation with authorities outside the HMA and / or monitoring which identifies that housing needs in the HMA are not been met.

There are significant unmet housing needs arising in the adjacent Greater Birmingham HMA. The Birmingham Development Plan (not yet adopted and subject to a Holding Notice) confirms an unmet need of circa 38,000 dwellings and a mechanism whereby Birmingham City Council will monitor progress of neighbouring authorities in meeting this unmet need over 3 years following adoption. If this unmet need is not satisfactorily met then the Birmingham Development Plan itself will be reviewed. As stated by the Stratford upon Avon Inspector "*a comprehensive approach to meeting Birmingham's unmet need is yet to be agreed*" (para 62 of Stratford upon Avon Inspector's Final Report). The Coventry & Warwickshire HMA authorities directly affected by Birmingham's unmet needs are North Warwickshire and Stratford upon Avon however as a consequence of the scale of the unmet needs there may be a knock on ripple effect throughout the Coventry & Warwickshire HMA which may or may not effect Rugby Borough Council.

It is known that Nuneaton and Bedworth Borough Council have not signed the Memorandum of Understanding. The pre submission Nuneaton & Bedworth Local Plan (consultation ended in December 2015) proposed a housing requirement of 10,040 dwellings (502 dwellings per annum) rather than 14,060 dwellings (703 dwellings per annum) as set out in the Memorandum of Understanding thereby making no provision for unmet needs from Coventry. So despite the HMA authorities best endeavours the strategic matter of meeting OAHN in full in the HMA remains unresolved. Whilst the HBF welcomes the proposals for a future move towards a statutory Plan for Coventry & Warwickshire in the meantime there remains a level of uncertainty

about whether or not OAHN for Coventry & Warwickshire HMA will be met in full. Nuneaton & Bedworth's default from the figures set out in the Memorandum of Understanding results in an unmet need of 4,020 dwellings across the HMA which is not dissimilar to the previous 4,680 dwellings of undistributed unmet housing needs arising at the time of the initial Warwick Local Plan Examination Hearing Sessions when its Inspector suggested the withdrawal of the Warwick Local Plan from Examination.

It is noted that the Council's Statement of Co-operation makes no reference to the position of unmet needs in the HMA arising from Nuneaton & Bedworth's refusal to sign the Memorandum of Understanding or Birmingham's unmet housing needs. In conclusion it is suggested that the Council should provide further information on these strategic matters before submission of the Rugby Local Plan for Examination.

## **OAHN and the Housing Requirement**

**Policy DS1 – Overall Development Needs** proposes a housing requirement of 12,400 dwellings over the plan period 2011 – 2031. This comprises of an OAHN for Rugby of 9,600 dwellings based on Sub National Population Projections (SNPP) & Household Projections (SNHP) plus an uplift of +16 dwellings per annum to improve affordability via an adjustment to household formation rates (HFR) in younger age groups and 2,780 dwellings of unmet housing needs from Coventry. It is recommended that this housing requirement is expressed as a minimum figure so that it is not treated as a ceiling to sustainable development.

In HBF representations submitted to the Examinations for the Stratford upon Avon, Warwick and Coventry Local Plans and the Nuneaton & Bedworth pre submission Local Plan consultation the appropriateness of a number of assumptions used in the calculation of OAHN for the Coventry & Warwickshire HMA have been questioned. These concerns are re-stated below :-

### No adjustments for longer term migration trends

The 2012 SNPP are underpinned by net migration over the short-term trend (5 years). This period 2007 – 2012 records a period largely represented by economic recession whereas a longer term 10 year trend covers a period of both economic boom and recession. In the Coventry & Warwickshire HMA the shorter period also covers a period during which housing development moratoriums were enforced across a number of authorities in the HMA. It is considered that the long-term (10 years) net-migration trend is more representative of demographic change within the HMA and therefore demographic-led housing need is better represented by the 10 year net migration trend. The sensitivity testing of 10 year migration trends in the 2015 SHMA shows a variation of +20% (5,040 dwellings per annum) but it is concluded that the 2012 SNPP figure of 4,197 dwellings per annum remains valid. In its recommendations for a standard methodology for the calculation of OAHN the recently published Local Plans Expert Group (LPEG) Report to Government recommends that after sensitivity testing the higher of the 10

year and 5 year migration trend should be used. (Flowchart Step A in Appendix 6 of the LPEG Report). The HBF would concur with this recommendation and its application would sizably increase the demographic led housing need for the Coventry & Warwickshire HMA.

#### Using HFR in younger age groups as a mechanism to improve affordability in response to market signals

It is agreed that an adjustment to HFR in younger age groups is appropriate (NPPG ID 2a-017-20140306) because although the 2012 SNHP draw upon long term trends since 1971 the methodology applied means there is a greater reliance upon trends experienced over the last 10 years rather than to those experienced over the longer term. The implication of this bias is that the latest SNHP continue to be affected by suppressed trends in HFRs associated with the impacts of the economic downturn, constrained mortgage finance, past housing undersupply and the preceding period of increasing unaffordability which particularly affected younger households. Therefore SNHP continue to project forward a deterioration of HFR in younger age groups despite evidence to show that HFR for these groups are likely to recover as the economy improves (Town & Country Planning Tomorrow Series Paper 16, *“New estimates of housing demand and need in England, 2001 to 2031”* by Alan Holman). However in the case of the Coventry & Warwickshire HMA the applied uplifts based on a return of HFR to 2001 levels by 2025 in the 25-34 age group are overly modest representing only 2% uplift in the HMA and 3.5% in Rugby.

The NPPG confirms that worsening trends in market signals should be considered which may necessitate an upward adjustment above demographic projections (ID 2a-018-20140306 & 2a-019-20140306). The NPPG is explicit in stating that a worsening trend in any one of the market signal indicators will require an upward adjustment to planned housing numbers (ID : 2a-020-20140306).

The impact of using HFR adjustment as a mechanism to respond to market signals in order to improve affordability is not considered to properly account for either demographic change or identified worsening market signals. It is noted that recently the Inspector’s conclusions on the Arun Local Plan confirmed that a HFR adjustment should be considered independently of a market signals adjustment stating *“The Hearn report’s upward adjustment of 26-28dpa (rounded to 25pa) should be added to the 820pa to assist an increase in household formation for the key 25-34 age group, mainly as a demographic adjustment”* (para 1.28 of Arun Local Plan: Inspector’s OAN Conclusions dated 2nd February 2016). This is also the approach recommended in the LPEG Report for a standard methodology for OAHN whereby adjustments to HFR in younger age groups and for worsening market signals are separate and both are required (Flowchart Steps A & B in Appendix 6 of LPEG Report). Indeed the adjustment of 50% between 2008 and 2012 to HFR in younger age groups (25 – 44 years old) is recommended to occur at the beginning of the assessment in the same way as any 10 year migration adjustment in order to establish the demographic starting point

before any further uplifts to support economic growth and / or worsening market signals are applied.

By way of comparison to the 2% uplift in the Coventry & Warwickshire HMA and 3.5% in Rugby, in the Eastleigh Local Plan Inspector's Preliminary Conclusions on Housing Need a 10% uplift was proposed as a cautious approach to modest pressures on market signals whilst the Uttlesford Local Plan Inspector's Conclusions found an overall increase of 10% was appropriate to achieve the objective of improving affordability. Likewise the LPEG Report recommends an uplift of up to 25% dependant on house price and rental affordability ratios (text in Appendix 6 of LPEG Report).

### No increase to help deliver affordable housing

The "Updated Assessment of Housing : Coventry & Warwickshire HMA" prepared by GL Hearn dated September 2015 identified a need for 171 affordable dwellings per annum in Rugby representing 36% of OAHN in the District and 600 affordable dwellings per annum in Coventry representing 28% of OAHN in the city. However viability constraints on development in both Rugby and Coventry mean affordable housing delivery will be less than 36% and 28% respectively so in the case of Coventry a higher proportion than 28% of Coventry's unmet needs are for affordable housing. However a higher affordable housing provision in Rugby to meet this unmet affordable housing need would also be unviable. Therefore it is inevitable that a significant proportion of affordable housing needs will remain unmet.

It is suggested that insufficient consideration to increasing housing supply to help support delivery of affordable housing was undertaken. As set out in the NPPG an increase in the total housing included in a Plan should be considered where it could help to deliver the required number of affordable homes (ID : 2a-029-20140306). The 2015 SHMA also concluded that some adjustments might be appropriate for additional needs arising from concealed and homeless households (para 6.59 & 6.76) but no uplift was applied.

Again by way of comparison it is known that other Local Plans have included significant uplifts to meet affordable housing needs for example in Canterbury there is an uplift of 30% (paragraphs 20, 25 & 26 Canterbury Local Plan Inspectors Note on main outcomes of Stage 1 Hearings dated 7 August 2015) and in Bath & North East Somerset there is an increase of 44% (paragraphs 77 & 78 BANES Core Strategy Final report 24 June 2014). Most recently the Gloucester, Cheltenham & Tewkesbury Joint Core Strategy Inspector's Interim Conclusions propose a 5% uplift to help deliver affordable housing needs. The Forest of Dean Inspector is also suggesting a 10% uplift in his Interim Findings "*to seek to deliver all of the identified affordable housing need as a proportion of market housing would result in unrealistic and undeliverable allocations. But it does not necessarily follow that some increased provision could not be achieved ...I consider that an uplift of 10%, which has been found reasonable in other plan examinations, would be more appropriate here*" (para 63). The LPEG Report recommends significant uplifts to meet in full OAHN for affordable housing (Flowchart Steps C & D in Appendix 6 of LPEG Report).

It is known that Warwick District Council and Coventry City Council have prepared and signed an Affordable Housing Statement of Common Ground dealing with the complex relationship of meeting and delivering affordable housing needs by a re-distribution of unmet needs from one authority to another. It is suggested that a similar document is may be required between Rugby Borough Council and Coventry City Council.

#### Misalignment of economic growth forecasting timeframes and the two stage re-distribution of unmet needs from Coventry to support economic growth elsewhere

There is no justification for assessing employment growth for the period 2014 – 2031 only rather than the full period of 2011 – 2031. The resultant effect is to lower the level of job growth by discounting levels of employment growth between 2011 and 2014 which in turn suppresses the level of economic led housing growth.

There is also the misconception between supporting economic growth and the re-distribution of unmet housing needs. The 2015 SHMA concludes that in some parts of the HMA “*trend based demographic projections do not support growth in the workforce as strongly ... increase to support economic growth*” (para 7.15). The re-distribution of unmet needs from Coventry to North Warwickshire, Nuneaton & Bedworth and Stratford upon Avon to support economic growth was extensively discussed during the Stratford upon Avon Local Plan Examination (see Inspector’s Final Report paras 57 – 60 & 62). This debate focused on concerns that “*the economic led projection is needed to meet the level of jobs created and so meets the needs of the District. Nevertheless it is reasonable to say a very modest component of the OAHN would contribute to the unmet needs of others*” therefore “*it should not be based on an incorrect assumption that everything over and above the demographic need is surplus and available to meet the needs of others*”. Since only a small proportion of such adjustments should be attributed to meeting unmet needs the assumption in the 2015 SHMA suppresses the OAHN for the HMA by up to 189 dwellings per annum.

#### 2014 SNHP

It is also noted that the Council has not provided any information concerning the publication of the 2014 SNHP. As set out in the NPPG (ID 2a-016-20140306) a re-assessment of OAHN is only necessary if a meaningful change has been identified by the publication of these projections. It is understood that the Coventry & Warwickshire HMA authorities consider that no meaningful change to OAHN in the HMA has arisen from the publication of these projections. This opinion was expressed orally at the Coventry Local Plan Examination Matter 2 Hearing Session as well as orally and in writing at the Warwick Local Plan Examination Housing Matter Hearing Session (see below extract from Warwick District Council Hearing Statement) :-

***“5) Now that the 2014 based population projections and 2014 based household projections are available should they be used to review the***

**figures? How do they differ from previous projections and what effect would this have?** a) The HMA authorities have jointly undertaken work to consider the 2014-based Population and Household Projections and 2015 Mid-Year Population Estimates. This report will be available for publication during w/c 5th September 2016, once it has been assured by the all the Councils involved. Its findings are summarised below. b) The 2014-based Population and Household Projections and 2015 Mid-Year Population Estimates show stronger population growth in Coventry and across the HMA (152,300 between 2011-31, 17.6%), but lower growth in Warwickshire than had previously been estimated. Because of differences in the demographic structure however, overall household growth is lower. The 2014-based projections result in a need for 4,167 dpa across Coventry and Warwickshire over the plan period, which is 1% lower than that shown on a comparable basis (4197 dpa) in the Updated Assessment of Housing Needs. c) For Warwick District, the projections show a lower demographic need of 462 dpa, compared to 600 dpa in the 2015 Update. This is influenced both by lower levels of migration, but also by lower expected population growth amongst older persons (who typically have higher headship rates) (see Figures 4.7 and 5.5 of HO20PM). d) The Council considers that a 1% difference shown by the 2014-based Projections across the HMA is minimal and does not affect the robustness of the evidence base – indeed it supports it. The PPG (2a-016) is clear that housing assessments are not rendered outdated every time new projections are issued. It is however relevant that the latest official projections show a strengthening of recent trends in terms of the distribution of need across the HMA including a lower housing need in Warwick District and a higher housing need in Coventry. This data has been the subject of discussions with the other authorities within the HMA. The outcome of these discussions is that all the authorities accept that the new data is not sufficiently significant to render the Updated Assessment of Housing Needs (HO20PM) out of date and that the Housing MOU (HO21PM) still provides a robust and effective agreement. e) In reaching this view, the Councils recognise that any detailed review will result in an even greater shortfall of housing in Coventry and the need for this additional shortfall to be redistributed back to the Warwickshire Authorities. In this context, it is likely that the outcome will be very similar to the housing requirements set out in the Housing MOU.”

The HBF concur with these findings however it is suggested that the Council should provide a clear statement of its position on this issue before the Rugby Local Plan is submitted for examination. It is noted that the Coventry & Warwickshire HMA authorities opinion that less than 1% (0.7%) is an insignificant change by inference supports the HBF’s argument that an uplift of less than 2% (1.7%) to improve affordability across the HMA should also be considered insignificant.

In conclusion the HBF consider that the SNHP plus adjustments for 10 year migration trends and HFR in age group 25 – 34 multiplied by a vacancy rate allowance would have provided a more appropriate demographic starting point for the calculation of OAHN which should have been further uplifted for economic growth and / or market signals. It is acknowledged that adjustments for economic growth and market signals are not mutually exclusive so both

may not necessarily be needed. It is known that an alternative OAHN prepared by Barton Willmore on behalf of a consortium of developers estimates the OAHN for the Coventry & Warwickshire HMA for 2011 – 2031 as between 100,200 – 126,000 dwellings (5,010 – 6,300 dwellings per annum). If this alternative OAHN is correct then the OAHN for the HMA has been under represented by circa 17% - 34%.

## Land Supply

**Policy GP2 – Settlement Hierarchy** sets out a 5 tiered settlement hierarchy across the Borough. The HBF would question whether or not **Policy GP2** should be cross referenced to **Policy DS3** with particular reference to the new proposed garden village which over the plan period will become a new Main Rural Settlement.

**Policy DS3 – Residential Allocations** proposes five allocations (DS3.1 – DS3.5 as set out in **Policies DS7, DS8 & DS9**) on the Rugby urban edge for up to 13,400 dwellings (not all deliverable in the plan period), nine allocations (DS3.6 – DS3.14 with further details set out in **Policy DS6**) in the Main Rural Settlements for up to 527 dwellings and a new garden village (DS3.15 as set out in **Policy DS10**) for up to 1,500 dwellings (not all deliverable in the plan period). Whilst the Council advocates a strategy of proposing a variety of sites by size and location to maximise housing delivery rates the strategy is predominantly focussed on larger sites around Rugby and the new garden village.

The HBF welcomes the Council's acknowledgement that the proposed phasing set out in the Draft Local Plan was inappropriate. In the pre submission Plan the Council is proposing a phased requirement of 540 dwellings per annum for the period 2011 – adoption (2017) as per the currently adopted Plan and then 654 dwellings per annum for the post adoption period 2017 – 2031 (para 4.10 of Local Plan). This latest proposal is not dissimilar to the approach set out in the Stratford upon Avon Inspector's Final Report under Issue 5.

The Council's 5 YHLS calculation based on a Sedgefield approach to recouping shortfalls as soon as possible (albeit against the lower pre adoption annualised housing requirement of 540 dwellings per annum) and 20% buffer applied to both the annualised housing requirement of 654 dwellings per annum and the shortfall aligns with the HBF's preferences for such calculations. However the Council has not provided an actual statement of the 5 YHLS position anticipated on adoption of the Local Plan.

On the basis of the Council's evidence a 5 YHLS on adoption is not achievable unless a windfall allowance is included. However the HBF would query the inclusion of the Council's proposed windfall allowance in the initial years of the calculation which may result in some double counting of the HLS.

- Annualised housing requirement 2017/18 – 2022/23 (654 dwellings per annum x 5 years) = 3,240 dwellings ;



- Anticipated shortfall arising between 2011/12 – 2016/17 = 591 dwellings ;
  - 20% buffer = 772 dwellings ;
  - Total = 4,633 dwellings (927 dwellings per annum)
- 
- HLS - 2,833 dwellings from committed sites and 1,767 dwellings from proposed allocations = 4,600 dwellings or 4.96 years

The HBF do not comment on the merits or otherwise of individual sites therefore our representation is submitted without prejudice to any further comments made by other parties on the lead-in times, delivery rates, availability and deliverability of specific sites included in the Council's housing trajectory. It is essential that the Council's assumptions on lead-in times and delivery rates are realistic as evidenced by historical empirical data and supported by parties responsible for delivering these sites. Indeed other parties may be able to demonstrate that the Council's assumptions about the HLS are not robust thereby reducing the Council's 5 YHLS even further below 5 years on adoption. Without reasonable certainty that the Council has a 5 YHLS the Local Plan cannot be sound as it would be neither effective nor consistent with national policy. Moreover by virtue of the NPPF (para 49) the Plan would be instantly out of date on adoption.

The HBF would recommend as large a contingency as possible for both the 5 YHLS and overall HLS especially given that the housing requirement is a minimum not a maximum figure. It is noted that the Table (para 4.12 of the Local Plan) shows only 10% contingency in the overall HLS for the plan period. The HBF always suggests a 20% contingency to provide sufficient flexibility for unforeseen circumstances. Indeed the Department of Communities & Local Government (DCLG) presentation slide from the HBF Planning Conference in September 2015 illustrated a 10 – 20% non-implementation gap together with a 15 – 20% lapse rate. The slide emphasised "*the need to plan for permissions on more units than the housing start / completions ambition*". The recently published Local Plans Expert Group (LPEG) Report also recommends that "*the NPPF makes clear that local plans should be required not only to demonstrate a five year land supply but also focus on ensuring a more effective supply of developable land for the medium to long term (over the whole plan period), plus make provision for, and provide a mechanism for the release of, developable Reserve Sites equivalent to 20% of their housing requirement, as far as is consistent with the policies set out in the NPPF*" (para 11.4 of the LPEG Report). It is surprising that unlike the current adopted Core Strategy the Council is not proposing any reserve sites. This is even more surprising given the Council's own recent experience of longer than expected lead in times on large redevelopment sites within the Borough.

## Housing Policies

**Policy H2 – Affordable Housing** proposes on sites of 11 or more dwellings for brownfield sites 20% affordable housing provision and for greenfield sites

30% subject to viability testing. The Council's proposed affordable housing site threshold of 11 or more dwellings complies with national policy.

If the Council's Plan is to be consistent with national policy then development should not be subject to such a scale of obligations and policy burdens that viability is threatened (para 173 & 174). The residual land value model is highly sensitive to changes in its inputs whereby an adjustment or an error in any one assumption can have a significant impact on viability. Therefore it is important that the Council understands and tests the influence of all inputs on the residual land value as this determines whether or not land is released for development. The Council should be mindful that it is inappropriate to set unachievable policy obligations and viability should be properly assessed. It is unrealistic to negotiate every site on a one by one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. Therefore site by site negotiations should occur occasionally rather than routinely. The HBF are supportive of the Council's proposed differentiation between the viability of brownfield and greenfield sites and the flexibility provided by the inclusion of the clause on viability testing of unviable schemes contained within the policy.

However during this consultation the HBF was unable to find an up to date Whole Plan Viability Study in the Council's supporting evidence. Therefore it has not been possible to ascertain whether or not the proposed affordable housing percentages are reasonable and justified. Before submission of the Local Plan for Examination the Council's viability evidence should be made publically available for comment. In the meantime the HBF reserves the right to submit further representations on the Council's viability evidence when it is made available for comment.

It is also noted that **Policy H2** refers to a Housing Needs Supplementary Planning Document. The Council is reminded that the NPPF is explicit that an SPD should not add to the financial burden of development (para 154). The Regulations are equally explicit in limiting the remit of an SPD so that policies dealing with development management cannot be hidden in an SPD.

Under **Policy H6 – Specialist Housing** the Council should provide further clarity on the meaning of its statement in para 5.46 of the supporting text which proposes to count C2 residential care institutions towards the housing requirement. If the Council is proposing to include C2 uses in the HLS then it is recommended that the housing need for C2 bed spaces should also be identified as a separate element of the housing requirement in **Policy DS1**.

The Council should also re-consider if the supporting text in para 5.47 referring to self-build dwellings is most relevant to **Policy H6 – Specialist Housing** or **Policy H1 – Housing Mix**.

## **Other Policies**

It is suggested that **Policy HS2 – Health Impact Studies** which requires such studies for developments of more than 150 dwellings is deleted. The NPPF makes no reference to Health Impact Assessments indeed it is the

responsibility of the Council to work with public health organisations to understand and improve the health and well-being of the local population rather than the responsibility of parties making planning permission applications (para 171). If **Policy HS2** is not deleted then any retained requirement for a Health Impact Study should only be required if a significant impact has been identified rather than as a blanket requirement for all developments of more than 150 dwellings.

In **Policy SDC4 – Sustainable Buildings** the Council proposes to adopt the higher optional water efficiency standard of 110 litres per day per person. The Deregulation Act 2015 specifies that Councils should not set any additional local technical standards or requirements relating to the construction, internal layout or performance of new dwellings. The only technical standards that can now be considered and incorporated into Local Plans are restricted to the nationally described space standard, an optional requirement for water usage and optional requirements for adaptable / accessible dwellings. The Written Ministerial Statement dated 25<sup>th</sup> March 2015 confirms that *“the optional new national technical standards should only be required through any new Local Plan policies if they address a clearly evidenced need, and where their impact on viability has been considered, in accordance with the NPPG”*. If the Council wishes to adopt the higher optional standard for water efficiency the Council should only do so by applying the criteria set out in the NPPG. The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas. The NPPG (ID 56-013-20150327 to 56-017-20150327) refers to *“helping to use natural resources prudently ... to adopt proactive strategies to ... take full account of water supply and demand considerations ... whether a tighter water efficiency requirement for new homes is justified to help manage demand”*. At the time of this consultation the Council’s new evidence to justify such a policy requirement is not available. Since it has not been possible to ascertain whether or not this requirement is reasonable and justified the HBF reserves the right to submit further comments when the Council’s evidence becomes available.

The Council’s intentions in **Policy GP5 – Parish or Neighbourhood Plans** are not clearly set out. There should be a clearer distinction between statutory Neighbourhood Plans and non-statutory Parish Plans. Any such Plans should be in general conformity with the strategic policies of the Local Plan as set out in national policy.

The Council should confirm that maximum car parking standards for residential developments are not been imposed by **Appendix 5 & Policy D2 – Parking Standards** contrary to the Written Ministerial Statement dated 25<sup>th</sup> March 2015 which states *“This government is keen to ensure that there is adequate parking provision ... in new residential developments ... The imposition of maximum parking standards under the last administration lead to blocked and congested streets and pavement parking. Arbitrarily restricting new off-street parking spaces does not reduce car use, it just leads to parking misery. It is for this reason that the government abolished national maximum parking standards in 2011. The market is best placed to decide if additional parking spaces should be provided. However, many councils have embedded the last administration’s revoked policies. Following a consultation, we are*

*now amending national planning policy to further support the provision of car parking spaces. Parking standards are covered in paragraph 39 of the NPPF. The following text now needs to be read alongside that paragraph: “Local Planning Authorities should only impose local parking standards for residential and non-residential development where there is clear and compelling justification that it is necessary to manage their local road network.”*

## **Conclusions**

For the Rugby Local Plan to be found sound under the four tests of soundness as defined by the NPPF (para 182) the Plan should be positively prepared, justified, effective and consistent with national policy. The Pre Submission Local Plan is unsound because of :-

- an under estimation of OAHN in the Coventry & Warwickshire HMA ;
- not meeting full OAHN in the HMA because Nuneaton & Bedworth is failing in its role to assist in meeting unmet housing needs from Coventry with consequences for other HMA authorities under the Duty to Co-operate ;
- uncertainty if 5 YHLS is available on adoption of the Plan ;
- no up to date whole plan viability assessment ;
- no justification for policy requirements including health impact studies, higher optional water efficiency standard and maximum residential car parking standards ;
- a lack of clarity about the role of Parish and / or Neighbourhood Plans and the relationship with the Local Plan.

Therefore it is considered that the Plan is inconsistent with national policy. It is not positively prepared nor justified so it will ultimately be ineffective.

It is hoped that these representations are of assistance to the Council in informing the next stages of the Rugby Local Plan. In the meantime if any further information or assistance is required please contact the undersigned.

Yours faithfully  
for and on behalf of **HBF**



**Susan E Green MRTPI**  
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