

NORTH WARWICKSHIRE BOROUGH COUNCIL
LOCAL PLAN EXAMINATION

LETTER REGARDING FUTURE EXAMINATION PROGRESS FOLLOWING HEARINGS IN FEBURARY AND APRIL 2019

1. This letter sets out where I have remaining concerns regarding the soundness of the plan as it stands. Several issues yet to be fully resolved were raised initially in my notes of July and December 2018. It is without prejudice to the outcome of the examination and sets out potential options for moving forward.

Infrastructure provision

2. For effectiveness, the plan must represent a deliverable strategy based on proportionate evidence. The delivery of a significant element of the development proposed relies upon the outcome of a Housing Infrastructure Funding ('HIF') bid of around £58 million, which is currently being appraised by Government. That relates to improvements to the A5, around which housing allocations are primarily focused. A significant amount of development proposed in the plan relies on the implementation of those improvements, and also on A5 dualling to the north of Grendon forecast at around £57.5 million. Without these improvements, it is highly likely that severe highways effects would occur.
3. The funding sought via HIF alone exceeds all other forecast highways infrastructure costs associated with the plan. But neither this cost, nor that relating to the dualling of the A5 to the north of Grendon, appear to have been accounted for in the viability appraisals. Consequently, it is difficult to see how the sites relying on these road improvements could be considered deliverable or developable in full until the outcome of the HIF bid is known and the source of funding in respect of the A5 dualling is clearly established. As things presently stand, I am in no position to conclude that they are.
4. This issue is fundamental to the soundness of the plan. It seems to me that the Council has three options here:
 - a. await the outcome of the HIF bid and unambiguously identify the likely source(s) of funding for the dualling of the A5; or
 - b. put forward alternative sites that do not rely on highways improvements for which funding is not certain or unknown; or
 - c. withdraw the plan.
5. I will do all I can to assist the Council through the examination towards the adoption of a sound plan. To that end, in the first instance at least, I would recommend that the Council should pursue option a. above. I recognise that this may mean suspending the examination for a short period. While not ideal, this path has the advantage of potentially proceeding with the Council's proposed strategy.
6. I suggest that option b. should only be considered if the HIF bid is unsuccessful and funding for the dualling of the A5 cannot be identified. If option b. is pursued, either now or in the event that the HIF bid is unsuccessful or the other funding required cannot be identified, then I should point out that option b. could lead to the need to re-cast much of the submitted plan. If changes of a significant scale are necessary, such that the resultant plan is significantly different from that submitted, then option c. may prove the only realistic path.

7. All the above having been said, if the Council is aware of any other potential ways forward then please let me know. As I have indicated, I will do all I can to progress the examination to a positive outcome.

Development requirements

8. During hearings related to development management policies the Council made available two documents. One relates to development requirements for housing, employment and travellers under policy LP6 [NWBC20C.1], and the other sets out a potential housing trajectory.¹ The step-change in anticipated delivery proposed by the plan is not in itself sufficient justification for those requirements to be seen as maximum levels. In my view, in order that the plan meets the positively prepared aspect of soundness and is sufficiently flexible over time, **requirements in LP6 should be expressed as minimum levels.**
9. The affordable housing need figure of 92 dwellings a year remains based on the lower housing requirement figure in the plan as submitted [CD8/10]. It is also of line with the 30% to 40% proportion to be sought from residential development via policy LP9. **In that context the Council should refresh the affordable housing requirement set via the plan**, a change which could be effected via main modifications ('MMS').

Justification for allocations

10. The Council make the case that 1,272 homes represents completions to date since 2011, and 1,308 homes that which is expected to come forward via existing permissions, with some windfall contribution also forecast.² On that basis to meet a housing requirement of 9,598 homes, allocations would need to make provision for 6,298 homes to 2033. Allocations appear to have a total capacity of 6,821 homes, giving some 8% flexibility.
11. However it became clear during hearings that several allocations had been included as they had secured planning permission since the start of the plan period of 2011. For example permissions and allocations around Warton amount to 228 homes. Warton is a 'category 4 settlement', the smallest type identified in the plan where development is proposed to be limited to around 10 houses at a time. I understand that some land was not assessed via the Strategic Housing Land Availability Assessment ('SHLAA') and Sustainability Appraisal ('SA') work relative to other sites to arrive at a preferred strategy.³ That is not a unique example. In the absence of evidence regarding how such sites fare when considered against the reasonable alternatives, I am not in a position to endorse their inclusion as allocations.
12. Here, again, the Council has the following options:
 - a. Assess all proposed site allocations with planning permission on the same basis as those which do not have – that is, to consider them using a consistent selection methodology and justify them as allocations, taking into account the category of settlement to which they relate; or
 - b. Put forward main modifications deleting those sites not selected via the SHLAA and SA process. Provided such sites remain deliverable or developable, they would move from an allocation to part of the pipeline of existing consents. Settlement boundaries will need to be revised accordingly.⁴

¹ The latter should be made available in the examination library.

² 60 dwellings a year from 2021/22 onwards [NWBC10c], which relates to a more flexible version of the settlement hierarchy in policy LP2 than as originally submitted.

³ CD8/16, CD8/17, CD3/1.

⁴ That may be effected, in part or whole, by the Council's proposed main modifications.

13. I recommend option b. above. Option a. is likely to lead to unnecessary delay and carries the potential risk that all or some of the sites with permission proposed for allocation are not the most appropriate when considered against the alternatives.

Site suitability

14. There are three areas where there are currently evidential shortcomings. As discussed during the hearings the Council are undertaking work explaining how sites assessed for allocation have progressed, and changed including in relation to their reference code, since the SHLAA and SA [CD8/17, CD3/1]. That relates to the justification for allocations with particular regard to heritage and work with Historic England at examination. **In that context the Council should explain, by way of a focussed note, how sites have been selected for allocation with regard to potential effects on heritage assets. That should explain which MMs are proposed in this respect.**⁵
15. At examination the Council have also worked with the Environment Agency with a view to resolving their objections to the plan, and a number of main modifications have been suggested as a result (including to mapping to avoid areas of higher flooding vulnerability). Various sites are identified as more vulnerable in the SHLAA, with the SA setting out that it would not be possible to 'overcome all [such] constraints' [CD3/1]. **In that context the Council should also explain by way of a focussed note how the sequential test in NPPF2012 paragraph 100 has informed the selection of sites for allocation. That should explain which MMs are proposed in this respect.**
16. The Council's justification for release or safeguarding for potential future development of land in the Green Belt is related to (i) pressures for growth, (ii) the role of different settlements, and (iii) site specific circumstances. Those are reasonable considerations. However, based on all the evidence before me, they do not justify the only area of safeguarded land being adjacent to Kingsbury via policy LP4.
17. Kingsbury is a lower order settlement than Coleshill which is also in the Green Belt. It is surrounded by some land which has been assessed as having a similar contribution towards the purposes of the Green Belt as around Coleshill.⁶ There is some ambiguity in the plan in respect of Coleshill; some land at Coleshill was previously recommended for safeguarding [AD20A],⁷ and no safeguarded land is proposed at the other 'local service centres' within the Green Belt of New & Old Arley or Water Orton.⁸ **Therefore for consistency with national policy either the plan's approach to safeguarding Green Belt land at Kingsbury should be revised, or additional land should be safeguarded at other settlements in line with the plan's settlement hierarchy.**

Housing trajectory and five year land supply

18. The plan's base year of 2011, the same as the Core Strategy ('CS', adopted 9 October 2014) has led to some complexity as to how land has been assessed and categorised. It also suggests that in 2011 the Council could have been able to predict the extent of development needs in the wider area which became clear around 2016 through the examination of other plans. As I set out in my note of December 2019, addressing any shortfall over the plan period in a

⁵ Including addressing where there are gaps in evidence, notably where the Regulation 18 Sustainability Appraisal indicates that historic assessment work did not assess certain options (for example see CD2/2, appendices, page 198 in respect of POL/DOR1 and allocation H7), noting AD55 and AD55A.

⁶ CD6/3C, CD6/9.

⁷ Local Plan paragraph 14.29 states in respect of Coleshill that 'it is considered necessary to allocate land outside of its current boundaries and remove land from the Green Belt', however paragraph 14.32 states that there should be no development outside of the current development boundary.

⁸ Albeit that there are differences between all settlements in terms of their scale, facilities and implications of HS2.

phased trajectory with a 5% five year land supply buffer may be appropriate. In the light of the above, my provisional view is that the Council should consider an increased housing requirement after plan years 2011/12 and 2016/17, stepping up over time to reflect provision of enabling infrastructure and other factors. **In that context the Council should establish a phased annual requirement for each year of the plan since 2011, which would form the basis against which a five year housing land supply should be calculated.**

19. **The Council should, relative to annual requirements, establish a single anticipated delivery trajectory setting out the components of that forecast.**⁹ In doing so the Council should set out their internal evidence related to lead-in times and delivery rates- the Council undertook to do so during the hearings given that, referencing national trends, some representors made the case that delivery projections were overly optimistic. However, I remain without any clear, definitive evidence on this point.

Development management policies

20. I thank the Council for the work they have undertaken following hearings related to development management policies updating the schedule of MMs. Following those hearings and the arguments put to me, I undertook a series of site visits. As a consequence it is my view that, via MM, **the third criterion of policy LP5 should be replaced with the following: 'development should not significantly reduce the visual separation between Polesworth and Dordon, and Tamworth'**. In the version in plan as submitted, LP5 may be read so as to effectively prevent any development in the Meaningful or Strategic Gap. In that respect, LP5 as submitted was more restrictive than Green Belt policy, and did not take account of the potential for site specific circumstances or mitigation to reduce landscape effects.
21. **Reflecting on recent hearings the plan needs also to set out which policies are strategic or not in line with paragraph 156 of the NPPF2012;** defining some elements of policies 'additional considerations', as the Council have suggested, would not be effective.
22. There is no robust evidence before me, within the terms of NPPF2012 paragraphs 76 to 78 that all open and green spaces, intended to be Local Green Space are 'demonstrably special'. At Atherstone, for example, there are around 29 identified, some of which appear quirks of the built environment such as highway verges. **The Council should therefore review proposed Local Green Space designations in line with the criteria in NPPF2012 paragraph 77.**

Summary

23. In summary the Council should:
- i. Consider how to proceed in respect of transport infrastructure as set out above, and explain clearly what quantity of development may be accommodated before those upgrades are necessary.
 - ii. Express development requirements as minima and establish a consistent affordable housing requirement.
 - iii. Delete allocations with permission, or which were not selected via the SHLAA and SA (if the Council is agreed to that approach).
 - iv. Set out how the sequential test and an assessment of heritage effects has informed the process by which sites proposed for allocation were selected and MMs arrived at.
 - v. Either safeguard further Green Belt land or revise policy LP4.

⁹ A definitive version of the different iterations of examination documents NWBC10a and NWBC10b which should include sufficient information to establish a five year land supply of deliverable sites.

- vi. Establish a phased annual housing requirement for each year of the plan, and a delivery trajectory and five year land supply relative to it (based on local evidence of lead-in times and delivery rates made available on the examination website).
 - vii. Amend the third criterion of policy LP5, define which policies are 'strategic' or not, and review Local Green Space designations.
24. Whilst the above areas are intricate and interconnected, and the Council is keen to make progress, resolving such matters is essential. Once those matters are addressed, I will write again setting out the way forward for the examination.

Thomas Bristow

INSPECTOR

12 June 2019