

NORTH WARWICKSHIRE BOROUGH COUNCIL
LOCAL PLAN EXAMINATION

LETTER ON EXAMINATION PROGRESS

1. I thank the Council for their update of February in response to my letter of October 2019 [NWBC25, INSP19]. This letter summarises recent proceedings and sets out options for the way forward. Given that the Plan was submitted for examination in March 2018, there is an urgent need for some outstanding work to be completed, and for the examination to move towards completion as soon as possible.
2. I am concerned that, unless swift progress can be made, we are fast approaching the point where various elements of evidence will need further updating (in addition to numerous elements already updated during the examination). That has the potential to render the examination unduly complex and protracted. I set out below where further clarification or work is required, and thereafter address how that might best be dealt with.

Housing requirements

3. I previously set out that a total minimum housing requirement of 9,598 dwellings over 2011-2033 represents, indicatively, an appropriate housing needs figure for the Borough recognising its strategic context [INSP12].¹ On a simple average that is 436 dwellings per annum ('dpa'), significantly higher than the Core Strategy requirement (203dpa).
4. In that context I asked the Council to propose a stepped housing requirement that would form the basis for aligning housing delivery and calculating a five year housing land supply ('5YHLS'). The Council were unable to advance a stepped housing requirement before the second set of examination hearings in April 2019 where those issues were scheduled for discussion.
5. NWBC24B, Annex F now sets out a potential stepped trajectory.² My understanding of the Council's latest position is that the housing requirement would be 203dpa between 2011/12 and 2021/22, 263dpa between 2022/23 and 2023/24, 360dpa 2024/25 to 2028/29 and 779 between 2029/30 and 2033/34.
6. If my calculations are correct, however, that stepped trajectory gives a total figure of 8,454 dwellings. That falls some 12% short of 9,598. The shortfall may have a rational explanation, for example over-delivery relative to 203dpa in past years, however that is unclear and will need to be resolved in order for the Plan to be found sound.
7. I note that the trajectory above is likely to include a very high annual requirement figure for years 2029/30 to 2033/34. In that regard, in addition to the reference in the Plan to an early review in the event significant changes arise during the Plan period, I will bear in mind that a statutory review will in any event be required before 2029.

Affordable housing

¹ As an indicative position, and without prejudice to the outcome of the examination.

² Differing from an earlier version [NWBC20D].

8. At my request the Council also reviewed its evidence related to affordable housing provision. Annual affordable housing needs have been found to now stand at 267dpa, which the Council explains represents 47% of total needs [NWBC24, Appendix B]. That is evidently substantially greater, absolutely and proportionately, than the annual figure of 112dpa in the plan as submitted.³
9. The current evidence of affordable housing needs exceeds the 30% or 40% level originally set as a requirement via policy LP9, which was informed by viability assessment work [NWBC13]. The Council has explained that it does not wish to 'change or re-open the evidence to support this [affordable housing target]'.
10. However, in light of the above, it is clear to me that the viability of providing current objectively assessed levels of affordable housing need should be assessed (a process which now should consider any implications of infrastructure funding, as set out below). That is in order to robustly justify the requirements in policy LP9, or alternative affordable housing thresholds if that assessment indicates that greater levels of affordable housing are now achievable.
11. It may be the case that the Plan, legitimately, cannot realistically deliver full objectively assessed affordable housing needs. Nevertheless, in line with NPPF2012 paragraph 47, the Plan should seek to do so as fully as possible.⁴

Infrastructure

12. I previously indicated that there was a significant funding shortfall to realise the Plan's strategy [INSP18]. In part that related to a Housing Infrastructure Funding bid of around £58 million, the outcome of which was originally anticipated in the autumn of 2019. The Infrastructure Delivery Plan and Strategic Transport Assessment also indicated that A5 dualling to the north of Grendon, potentially contingent on reserve allocation RH1, is forecast at around £57.5 million [CD0/4, CD8/18A].
13. The hearing on 27 February 2019 also identified a lack of clarity as to the overlap of infrastructure projects, and whether they are 'critical' or 'necessary' (as referenced in the Infrastructure Delivery Plan, with 'core' the term used in the Strategic Transport Assessment). On the latest evidence it appears that certain 'critical projects', defined in the Infrastructure Delivery Plan as those 'without which development cannot commence' are due to be implemented only in 2026.
14. I note that the Budget 2020 committed £328 million towards 'additional housing investments', including those in the Borough. I understand formal arrangements are not yet fully in place in that regard, and thank the Council for endeavouring to inform me as to when they are. Nevertheless how any such funding relates to 'critical', 'necessary' or 'core' infrastructure projects, and the timing thereof relative to delivery will need to be explained and aligned with the housing trajectory (in order for me to reach a finding that the Plan represents a deliverable strategy as a whole).

Housing delivery

³ Or 92dpa as reflected in NWBC24 Annex 1.

⁴ Which has an interaction with a potential main modification to Plan policy LP1 (currently MM16).

15. The Council's evidence of lead in times and delivery rates for housing sites relative to national trends was also not available during the last set of hearings.⁵ That information has now been published [NWBC24B, Annex I]. That evidence indicates that only two permissions have recently been granted in the Borough for sites exceeding 100 homes, compared to eight allocations exceeding 100 homes (and three above 1000). In my indicative view, the evidence before me is not compelling justification for anticipated build-out rates significantly above national trends.
16. In order to demonstrate appropriate delivery against the Plan's requirement in that context, the Council will need to revisit and strengthen its justification related to likely lead-in times and build out rates. That process, in conjunction with site promoters and developers, should robustly demonstrate that anticipated delivery rates are realistic and achievable (in line with a stepped trajectory and overarching housing requirement).

Allocations

17. Certain allocations had been incorporated in the Plan as submitted on the basis of sites having secured planning permission, rather than their being assessed in a similar manner to others [INSP18]. The Council therefore now propose the deletion of 12 out of 27 original allocations in policy LP39, in order to ensure that all proposed allocations are properly justified by the evidence. Work to address concerns of the Environment Agency and Historic England in particular has generated a significant number of alterations to boundaries and potential Main Modifications ('MMs') for many site allocations which are proposed to remain.
18. Further, on account of issues identified in the course of the examination related to flooding, the Council now indicate that allocation H3 should become a reserve site. In the light of my reasoning in INSP18, the Council have also proposed the deletion of site LP4 (safeguarded in the Plan as submitted in the Green Belt). The amount and timing of funding secured via the Budget will likely affect how reserve site RH1 is treated (as set out above). Given the significance of those changes, in my view further hearings on remaining allocations will be necessary, to some extent revisiting previous sessions in those respects [INSP5A].

Currency of evidence

19. Being submitted for examination in March 2018 the Plan falls for examination against the 2012 version of the National Planning Policy Framework ('NPPF'). However we are now over two years since the publication of a revised version of the NPPF, which along with the Planning Practice Guidance contains the current methodology for calculating local housing needs. Some evidence runs principally off data from 2013 or 2014 (notably the Strategic Flood Risk assessment and original viability assessments). Some also runs only to 2028 (the Gypsy, Traveller and Travelling Showpeople Accommodation Assessment). As set out initially, we need to make progress in order to avoid a scenario whereby elements of evidence lose their currency, or become unduly time-limited.⁶

Future progress

20. In light of the issues above and the cumulative significance of potential changes to the Plan, if this examination is to proceed I am of the view that it will be necessary for the Council to undertake specific elements of work and to consult on that work, along with other additional evidence produced so far including potential MMs, and for further hearings to be held.

⁵ Representors citing the NLP study 'Start to Finish' of November 2016 in that context.

⁶ With reference to paragraph 1.11 of the Planning Inspectorate's Procedural Guide for Local Plan Examinations.

21. Summarising the above, the central elements of necessary further work are to:
- (i) establish a stepped housing trajectory which aligns with the overarching requirement of the Plan period with an appropriate degree of flexibility, justified by revisited evidence of lead-in times and delivery rates,
 - (ii) set out clearly and precisely a timeline of infrastructure provision in support of (i), which explains how each project will progressively enable additional levels of development to come forward in line with the stepped housing trajectory and housing requirement,
 - (iii) update viability evidence in the light of current affordable housing needs and infrastructure, with the aim of meeting as much as possible of objectively assessed needs in line with NPPF2012 paragraph 47.
22. Once those elements of work are completed, and have been reviewed by me, the Council should consult upon them, alongside other work undertaken at examination to date and the latest schedule of MMs, after which we will look to agree the remit and timing of further hearings. I cannot, of course, guarantee that further MMs or additional work will not be required thereafter, and accept that in current circumstances there may be some challenges involved in moving swiftly.
23. Nevertheless it is highly desirable that the examination is brought to completion in short order. I would therefore be grateful if the Council would provide me with a timetable for undertaking the actions set out above as soon as possible. If quick progress cannot be made in those respects, it may be that the objective of getting an up-to-date Local Plan in place is not best served by prolonging the examination, and that withdrawal and proceeding to examination with a fresh plan may be the most appropriate way forward.
24. I would welcome views from the Council on the above, how they consider best to proceed, or if there are any other approaches that they would advocate. I will of course endeavour to assist the Council such as I am able towards getting a sound plan in place.

Thomas Bristow

INSPECTOR

29 May 2020