

MATTER 2

Overall housing provision

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for CEG

Nexus Planning reference
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Roger Tustain BA (Hons) Dip Plan DMS MRTPI
Nexus Planning Ltd
Suite A, 3 Weybridge Business Park
Addlestone Road
Weybridge
Surrey KT15 2BW

T 01932 837850

M 07919 045 191

E r.tustain@nexusplanning.co.uk

Matter 2: Overall Housing Provision

Question 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 the previous projections and what effect would this have?

- 1) The NPPG is clear that household projections are the starting point for estimated overall housing need (OAN) and therefore changes in population and household projections are a material consideration in calculating OAN.
- 2) The 2014-based household projections reveal a significant increase for Coventry City of 396 households per annum. Applying an appropriate vacancy rate (3% taken from the GL Hearn Updated Assessment of Housing Need September 2015 (HO20PM)), this translates to 408 dwellings per annum or 8,160 dwellings over the Coventry City Council (CCC) Plan period (2011-2031). Furthermore, the actual figure is likely to be even higher when applying a headship rate adjustment in accordance with the approach adopted in the HO20PM. This is of key relevance to the Warwick District Local Plan, in light of the significant unmet needs already arising from the City when based on the lower 2012-based household projections.
- 3) A net decrease in the household projections arises for Warwick District over the Plan period (2011-2029), when compared to the 2012-based household projections, which when applying an appropriate vacancy rate (3%), translates to circa 130 dwellings per annum. This would however be outweighed by the uplift in housing needs arising from Coventry.
- 4) Having regard to the methodology outlined in Coventry and Warwickshire HMA Memorandum of Understanding (MoU) (LP31PM and LP32PM), Warwick DC would not be expected to accommodate all additional housing needs arising from Coventry. However, in applying the functional relationship methodology as set out within the MoU, Warwick DC would need to accommodate in the region of a further 151 dwellings per annum of Coventry's unmet needs. This, when balanced against Warwick District's slight decrease in housing needs, would result in a net increase of at least 21 dwellings per annum for Warwick DC (or 378 dwellings over the Plan period).
- 5) Through the evidence published by the Council, it is clear that Warwick District hosts sustainable and appropriate locations for further growth to meet Coventry's needs (such as safeguarded land S1), but conversely it is not clear whether other authorities in the HMA could accommodate additional unmet needs from Coventry. Indeed, HO31PM details that there is some uncertainty surrounding the ability of Nuneaton and Bedworth to accommodate existing identified unmet needs from Coventry, let alone any further housing needs which might arise. As a result, there is a reasonable prospect that Warwick District could be required to accommodate an even greater level of Coventry's unmet needs, notwithstanding the revised 2014-based projections.
- 6) It is also important to consider the shift in housing pressure patterns exhibited by the 2014-based household projections and the affect this could have upon the Council's spatial distribution, with significant pressures emanating from Coventry and a reduction from Warwick itself.
- 7) In adopting basic sustainability principles, and in accordance with the NPPF (paragraphs 27 and 34) the Council should consider allocating a greater proportion of housing on the edge of Coventry i.e. closet to the source of the demand. Indeed, paragraph 16 of the Council's

Distribution of Development Strategy Paper (2016) (H025PM) acknowledges that the most sustainable locations to deal with unmet need from Coventry are those closest to or with the best access to the City. Safeguarded land S1 represents such a location.

Question 10) How will unmet needs from Coventry be met? What is the basis for calculating the distribution of unmet needs to other authorities and is this justified?

- 1) Coventry City Council (CCC) has identified a shortfall of 17,800 dwellings between 2011 and 2031 based upon the 2012-based demographic projections. The Duty to Cooperate encourages all the Warwickshire planning authorities to work with the City Council to reach an effective solution to this shortfall and to act in a reasonable and constructive way.
- 2) On 29th September 2015, the Coventry and Warwickshire Joint Committee for Economic Growth and Prosperity (CWJCEGP) considered a MoU to ensure the housing needs of the Coventry and Warwickshire Housing Market Area (HMA) are met in full. The MoU is principally based upon an analysis of functional relationships between the relevant authorities in the HMA and Coventry City, looking at commuting flows and migration flows. This method identifies that Warwick District has the strongest functional relationship with Coventry of all the HMA authorities.
- 3) CEG agree that the approach set out in the MoU is an appropriate method for calculating the distribution of unmet needs across the HMA.

Question 11) Does the Memorandum of Understanding (MOU) between authorities effectively deal with this issue? What does this commit authorities to and is this sufficient? How does this relate to existing and emerging plans?

- 1) The MoU relates to all authorities within the HMA and was agreed to by the Leaders of Coventry CC, Warwick DC, Warwickshire CC, Rugby BC, North Warwickshire BC and Stratford-on-Avon DC. The MoU still however remains to be signed by the leader of Nuneaton and Bedworth BC. After Warwick District, Nuneaton and Bedworth has the strongest functional relationship with Coventry City, leaving 4,020 dwellings of unmet need currently unallocated within the HMA over the period 2011-2031. This is contrary to paragraph 47 of the NPPF which requires the full objectively assessed needs (OAN) for market and affordable housing in the HMA to be met.
- 2) Unless Nuneaton and Bedworth is able to confirm agreement to the MoU and fulfils its proportionate share of Coventry City's unmet need, the MoU cannot be considered to effectively deal with the unmet housing issue across the HMA.
- 3) The three authorities with the strongest functional relationship with Coventry are Warwick DC, Nuneaton and Bedworth BC, and Rugby BC. All authorities are in the advanced stages of preparing their new Plan, providing a clear opportunity to ensure that the housing needs of the HMA can be appropriately planned for in full. We note that Nuneaton and Bedworth's revised Local Development Scheme June 2016 details that a Regulation 19 consultation will take place in January 2017, during which (or potentially prior to this date) it will become clear what level of Coventry's unmet needs Nuneaton and Bedworth will accommodate, if any. Given the fact that the Examination relating to Warwick District's Local Plan will have only just concluded, or may still be on-going when Nuneaton and Bedworth's position is known, it would not be unreasonable to require Warwick DC to respond to any residual unmet need which might arise, particularly given Warwick has the strongest functional relationship with Coventry of any authority in the HMA.

- 4) Alternatively, an Action Area Plan (AAP) approach for the specific area south of Coventry, as advocated in our Regulation 19 Representations, would provide a clear and logical approach to quickly respond to housing pressures arising from Coventry, rather than delaying the adoption of the Local Plan itself, or undertaking a partial review of the Plan in five years' time. Work on the AAP could commence immediately following the adoption of the Local Plan, enabling it to address any residual unmet housing needs arising from Coventry.

Question 12) What is the position with Nuneaton and Bedworth Borough Council and the MOU? How does this affect the situation? What are the implications for other authorities?

- 1) As detailed in our response to question 11, it is clear that Nuneaton and Bedworth BC has still failed to provide any commitment to accommodating their proportionate share of Coventry's unmet needs, a figure which in all likelihood will rise further, based upon the 2014-based household projections. A failure to plan for full OAN across the HMA would be contrary to NPPF, paragraph 47.
- 2) Unless Nuneaton and Bedworth BC agree to take their proportionate share of Coventry's unmet needs, this will need to be redistributed across the remaining authorities within the HMA, with Warwick District taking the majority given its strong functional relationship. It is clear Warwick District benefits from an appropriate and sustainable location to accommodate additional growth within the Plan period through safeguard land S1.

Question 13) What effect does the situation in Birmingham have i.e. in terms of unmet need, the relationship to Coventry and Warwickshire authorities and the Birmingham Development Plan? Has this been taken into account?

- 1) Planning authorities within the Greater Birmingham HMA are currently in the process of preparing an MoU to address unmet needs arising from Birmingham, however no clear timetable appears to exist to resolve this. Therefore, at this stage, it would not be reasonable to expect Warwick to accommodate any of Birmingham's unmet needs.
- 2) A review mechanism exists at Policy DS20 to react to any unmet needs which may spill over from the Birmingham HMA, however this review is unlikely to take place for a number of years. The preparation of an AAP for the area south of Coventry (as advocated by CEG within the context of policy DS NEW 1) would principally respond to further unmet needs from Coventry, but could also react to unmet needs arising from the Birmingham HMA, if required.

Question 14) Is the level of housing now proposed by the Council i.e. 932 dwellings per annum appropriate? Would it meet OAN in the District and make an appropriate contribution to meeting unmet needs from Coventry?

- 1) As detailed above, the 2014-based household projections could affect OAN and potentially prompt a need to review the level of housing proposed by the Council. Importantly, a substantial increase in housing pressures arises from Coventry, which may increase the contribution Warwick will need to make towards accommodating Coventry's unmet needs. The likelihood of such a scenario is further enhanced by the fact Nuneaton and Bedworth BC is still yet to commit to accommodating their proportionate share of Coventry's unmet needs.
- 2) The allocation of site S1 for residential development (as proposed in CEG's representations and considered further in Matter 7c), rather than safeguarding it, would help meet any additional housings needs that might arise.

Question 16) Should the amount of housing now proposed (932 dwellings per annum) be increased or decreased? If so to what level and on what basis?

- 1) As detailed in our response to other questions for Matter 2, having regard to the 2014-based household projections and importantly the significant increase in housing pressures arising from Coventry, this evidence suggests that the amount of housing proposed in the Council's Plan should be increased.
- 2) Whilst our initial evidence suggests an increase of circa 400 dwellings over the Plan period, this could conceivably be considerably higher when accounting for the potential shortfall by other HMA authorities in accommodating Coventry's unmet needs.
- 3) Safeguard land S1 would represent a logical site to meet this additional need. The Council agree that it is an appropriate location for housing subject to highway infrastructure issues which we consider now has sufficient clarity to enable the site to be considered developable within the context of NPPF para 47 footnote 12.

Question 17) Is the approach to a review of the Local Plan (Council's suggested modification to Policy DS20) appropriate?

- 1) CEG support the principle of a Local Plan review mechanism. CEG also welcomes the acknowledgement by the Council of a specific need to address development and growth pressures south of Coventry. We do not however consider that a partial review of the Local Plan in five years for land south of Coventry in the most appropriate strategy, and is not therefore justified.
- 2) As detailed in our Regulation 19 representations to Policy DS20 and DS NEW 1, allocating H42 and safeguarding site S1 would promote piecemeal development, which would be at odds with the comprehensive development approach the Council so clearly advocate throughout the Plan (principally through Policy DS15). Allocating both H42 and S1 as a single allocation of 1,500 dwellings now would enable a comprehensive approach to development in this location and provide greater certainty on the delivery of on and off off-site infrastructure. Importantly, it would secure a greater than reasonable prospect that the A46 link road will be delivered within the Plan period (see our Matter 7c Statement), opening up capacity to deliver more than 425 dwellings in the Plan period and delivering significant economic benefits to the wider area. Site S1 should not therefore be safeguarded until such time a partial review of the Local Plan takes place.
- 3) Furthermore, given the significant and complicated nature of the development pressures south of Coventry (which clearly do not exist elsewhere in Warwick District), we consider that the Council should require the preparation of an AAP for the wider area south of Coventry, rather than dealing with it through a partial review of the Local Plan. The Council's recent report to the Executive on 6th April 2016 identifies the diverse range of stakeholders who would need to be involved to bring development forward in this location and the complicated array of infrastructure that must be delivered, and we consider that an AAP is an ideal planning tool to resolve such issues.
- 4) To establish a 'policy hook' and to give landowners and developers greater certainty and confidence to invest in the area, the broad area could be referenced in the Local Plan, with the exact extent determined through the preparation of the AAP itself.
- 5) The AAP would provide specific planning policy and guidance for the defined area in order to specify the required land uses in particular locations and identify key strategic interventions.

AAPs have a strong focus on delivery and implementation, and of course form a statutory component of the Local Development Framework, enabling them to review Green Belt boundaries, for example when further details regarding HS2 are known or further details emerge of any additional housing pressures from Coventry. It would therefore be an entirely appropriate tool to address the evolving development pressures and potentially transformational change that is likely to occur south of Coventry.

- 6) We therefore consider that Policy DS20 should be amended to remove the partial review of the Local Plan in respect of land south of Coventry, with details inserted to set out that work will commence immediately for the preparation of an AAP in the broad area south of Coventry.