



Issues and Options Consultation
Development Strategy
Rugby Borough Council
Town Hall
Evreux Way
Rugby
CV21 2RR

Date: 19 May 2025
Our Ref: LL M5/0405-17

By email only:
localplan@rugby.gov.uk

Dear Sir/Madam

RE: RUGBY LOCAL PLAN REVIEW – PREFERRED OPTIONS CONSULTATION

Tetlow King Planning represents the **West Midlands Housing Association Planning Consortium (WMHAPC)** which includes leading housing associations across the West Midland. Our clients' principal concern is to optimise the provision of affordable housing through the preparation of consistent policies that help deliver the wider economic and social outcomes needed throughout the West Midlands region.

As significant developers and investors in local people, the WMHAPC is well placed to contribute to Local Plan objectives and act as long-term partners in the community. Our clients play an active role in affordable housing delivery in Rugby and so welcome this opportunity to contribute to the Local Plan review.

We welcome the opportunity to comment on the Local Plan review Preferred Options consultation and recognise it is an important step in the production of a new Local Plan. The current Local Plan 2011-2031 was adopted in June 2019 and is now more than five years old and out-of-date when considered against the National Planning Policy Framework (NPPF, 2024). It is encouraging that Rugby Borough Council is being proactive and preparing a new Local Plan to account for updates to national policy.

Draft Policy S2 Strategy for homes

Criterion A of draft Policy S2 positively acknowledges the Standard Method 2024 figure of 618 dwellings per annum (dpa) in Rugby, equal to 12,978 new homes over the proposed 21-year plan period between 2024-2045. The WMHAPC welcomes the Council's use of the standard method figure as the basis for the Local Plan Review housing requirement; this appropriate and in accordance with the NPPF and PPG. Furthermore, we are pleased to see that the Council has identified an additional land supply buffer of 9% on top of the standard method figure as set out in Criterion B of draft Policy S2 whereby the Plan sets out a supply of 14,134 dwellings (equal to 673 dwellings per annum). This buffer will help to build flexibility into the Plan, will help to ensure housing needs are effectively met and will help the Council in being able to consistently demonstrate a five-year housing land supply. We therefore support draft Policy S2. In order to maximise delivery when and where needed, the housing requirement should be presented as a 'minimum' figure within the policy text itself, in line with paragraph 62 of the NPPF.

We note that the Issues and Options consultation previously identified a housing target of 506 dpa. Given that the Preferred Options document now proposes an increased requirement of 618 dpa for the period 2024 to 2045, this represents a positive uplift in the housing requirement of 112 dwellings per annum or 2,352 additional homes over the plan period which the WMHAPC fully supports.

Beyond the merits of aligning with more up-to-date evidence, this increased housing requirement will play a critical role in maximising the delivery of affordable housing, as such provision is typically secured

as a percentage of overall housing delivery. By planning for a higher overall quantum of housing, the Council is creating greater opportunities to meet identified affordable housing needs across a range of tenures.

We are reassured by the Council's proactive approach to boosting both market and affordable housing delivery and strongly support the ambition reflected in the proposed housing target. This approach is essential to ensuring that Rugby can meet the diverse housing needs of its residents over the plan period.

Draft Policy S6 Residential allocations

A shift toward allocating more housing in rural areas can present significant practical challenges for housing associations. These include reduced efficiency in the nomination process from the housing register, increased management complexities, and, in some cases, a decline in interest from providers in taking on S106 units in more remote or less accessible locations. These issues are particularly acute in areas with limited infrastructure, public transport, and local services.

Members of the WMHAPC have highlighted that many of their residents are on lower incomes and often do not own private vehicles. For this reason, reliable public transport links and proximity to essential amenities, employment, and education are critical for ensuring the suitability of tenancies. As such, housing associations typically prioritise sites in well-connected urban or suburban areas, where residents' needs can be more effectively met.

However, this should not be interpreted as opposition to rural development. The WMHAPC fully supports the provision of affordable housing in rural areas where it can meet local needs and where conditions enable sustainable development. We recognise the important role rural exception sites¹ and appropriately located allocations can play in addressing rural housing needs, particularly in settlements with good infrastructure and community support.

The WMHAPC housing associations have, however, reported practical challenges in managing and letting properties in more isolated areas. In some instances, associations have had to decline S106 units due to difficulties securing nominations, especially where access to transport and services was poor. Given that the Council's housing register prioritises those in greatest need who are often highly reliant on public transport ensuring appropriate site selection is key to avoiding under-occupancy or unsustainable tenancies.

Given these observations, we are encouraged by the Council's strategy to focus the delivery of new homes in sustainable locations, as set out in paragraph 1.17 of the Preferred Options Consultation:

"New homes are focused on Rugby town, which, including existing commitments, will accommodate at least 75% of new housing 2024–2045. Within the rural areas, new homes are planned at the main rural settlements, with the largest number of new homes planned at Wolvey, Brinklow and Long Lawford." (Emphasis added).

This provides an appropriate foundation for delivering both market and affordable housing where infrastructure and accessibility are greatest. At the same time, we recognise and support the role of rural allocations in delivering homes in response to local needs.

Rather than limiting rural allocations, we encourage the Council to take a pragmatic and flexible approach working closely with housing associations to ensure that rural sites are appropriately located and supported by the infrastructure necessary for successful delivery and long-term management. This includes considering local evidence on transport, amenities, and housing need as part of the site allocation and development management processes.

Maintaining this balance will help ensure that rural housing contributes positively to meeting the borough's affordable housing targets, without unintentionally constraining delivery or placing undue burdens on providers or future tenants.

¹ As we later go on to discuss Draft Policy H4 Rural exception sites

Draft Policy CL1 Net zero buildings

Draft Policy CL1 requires that new buildings comprising one or more dwellings of more than 100m² must be designed to be net zero carbon in operation.

Whilst the WMHAPC acknowledges the importance of promoting sustainable development, we ask the Council to be wary of the ways in which such policies could impact development viability which may restrict the provision of affordable housing in Rugby. Reducing operational CO₂ to net zero would represent a 25% greater target than that set to be implemented in the Government's Future Homes Standard (FHS) by 2025. Furthermore, having majorly differing standards for compliance provides a fragmented approach to net zero targets, which can result in a lack of clarity on what is considered compliant and creating a postcode method of compliance. We would like to remind the Council that the Government's FHS 2025 seeks a 75% reduction with the remaining 25% reduction being achieved through decarbonisation of the national grid, therefore providing an operational zero approach.

Draft Policy CL3 Water supply, quality and efficiency

Criterion C of the draft policy requires new dwellings to comply with water efficiency measures, ensuring estimated consumption does not exceed "110 litres per person per day in line with regulation 36(2)(b) of the Building Regulations 2010 (as amended)."

While we fully support the principle of promoting water efficiency, we respectfully suggest that the Council avoids duplicating the technical requirements already addressed by the Building Regulations. Referencing specific regulation numbers within planning policy risks becoming quickly outdated as legislation evolves. Instead, the policy should require compliance with prevailing water efficiency standards, thereby maintaining clarity and flexibility without compromising its intent.

Draft Policy EN4 Biodiversity net gain

Draft Policy EN4 Biodiversity net gain (BNG) requires a minimum of 10% BNG in line with the Environment Act 2021 and imposes criteria (i-iv) with fallback options where on-site delivery is not feasible. The WMHAPC supports this approach as there are a number of constraints which could hinder a site's ability to deliver BNG on site for example land uptake for habitat protection and mitigation measures which could impact on developable land and therefore viability etc.

The WMHAPC welcomes the production of a BNG supplementary planning document and/or a further implementation note/guidance following the adoption of the Local Plan.

Draft Policy EN5 Canopy Cover

Draft Policy EN5 currently states that: "*All major development, excluding development in Rugby town centre, shall increase the post-development canopy cover to at least 20% of the site area (excluding areas of the site that are high or very high distinctiveness habitats).*"

While the WMHAPC supports the ambition to enhance the environmental quality, we have concern that the drafting of this policy raises important concerns regarding its impact on the delivery of affordable housing. Promoting sustainable development remains a central objective of the NPPF (2024) however, in pursuing these environmental goals, it is important that planning policies are appropriately balanced against other policy objectives, particularly those relating to housing affordability and development viability.

As currently worded, Criterion A of the draft Policy EN5 appears to impose a blanket requirement of a minimum 20% post development canopy cover on all major development sites outside of Rugby town centre, without incorporated wording that sets out various circumstances or caveats where it may not be appropriate to increase canopy cover by 20%, including land uptake required for BNG impacting on developable land and viability, site specific constraints etc. There is no clear evidence that this requirement has been viability tested across a range of development types or spatial contexts. For some sites, particularly those coming forward which proposes affordable housing, the requirement may result in a reduction in developable land, thereby placing pressure on scheme viability. In such circumstances,

policy conflicts could emerge, potentially jeopardising affordable housing delivery, contrary to the aims of both the local plan and national planning policy.

As already alluded to, the rigidity of the policy wording is problematic. There are many instances where achieving 20% canopy cover may not be feasible or desirable, including in higher-density schemes, on constrained brownfield sites, or where existing landscape or ecological features require protection. In addition, the increasing number of requirements placed on development such as biodiversity net gain, drainage infrastructure, and active travel infrastructure can collectively reduce the amount of developable land, particularly on smaller sites. Without a mechanism to allow for flexibility or proportionality, the policy risks placing an undue burden on developers and registered providers, potentially disincentivising housing delivery.

To address these concerns, we respectfully request that the Council consider amending the policy wording to allow for greater flexibility. This could include the introduction of caveats or exemptions in instances where achieving the 20% canopy cover would compromise viability, conflict with other planning requirements (such as biodiversity net gain), or be impractical due to physical or locational constraints. Such an approach would ensure that the policy is applied in a balanced and proportionate manner, enabling each proposal to be assessed on its own merits while supporting the broader objective of sustainable development. This would also help facilitate the delivery of much-needed affordable housing across Rugby.

Draft Policy H1 Housing mix

This policy sets out that the tenure of all new residential development proposals should align with recommended housing mix outlined in the latest Housing and Economic Development Needs Assessment (HEDNA). At supporting paragraph 6.1, the Plan reiterates the findings of the HEDNA 2022 indicating a guidance for housing mix. This is very useful for readers. However, it is disappointing to see that the mix only includes market housing, affordable home ownership and social rented affordable homes, and has excluded other key affordable rental tenures, specifically Affordable Rent. Draft Policy H1 does not therefore adequately recognise the full range of affordable housing tenures as set out at Annex 2 of the NPPF and the role of Affordable Rent in contributing to a diverse and balanced housing offer.

Member housing associations of the WMHAPC that are active in Rugby can attest to the vital role that Affordable Rent plays in meeting local housing needs. It provides an essential tenure for those who are not eligible for social rent but still face significant affordability challenges in the open market.

In light of this concern, the WMHAPC welcomes the statement at paragraph 6.3 of the explanatory text, which confirms that the tenure mix can be supported by local evidence to demonstrate the need such as housing needs surveys. This flexibility is crucial to ensure that the full spectrum of affordable housing tenures, as recognised by national policy, can be delivered in response to genuine local need. It would be beneficial for this wording to be located within the policy text itself and we strongly encourage the Council to support the inclusion of Affordable Rent within future iterations of the Local Plan.

Draft Policy H2 Affordable Housing

With regards to Criterion A of draft Policy H2 Affordable Housing, we note the policy sets out a minimum affordable housing requirements at 20% for Rugby urban area and 30% elsewhere in the borough. As previously mentioned, while we support the Council's commitment to securing affordable housing, WMHAPC members have raised concerns that, in practice, they have at times been unable to nominate tenants for rented properties located in areas with limited or poor public transport access.

In light of this, we recommend that that council takes a flexible approach to affordable housing requirements in locations where local lettings evidence indicates challenges in delivery challenges. This could include allowing for adjustments to tenure mix or exploring alternative delivery models in areas that are less well-served by public transport. For example, in rural or poorly connected locations, it may be appropriate to vary the tenure mix such as prioritising intermediate tenures like shared ownership over social rent or consider a lower affordable housing percentage where justified by evidence.

Regarding criterion B and the prescribed affordable tenure mix, we refer the Council to our comments submitted in relation to draft Policy H1, particularly the omission of Affordable Rent as a recognised tenure. This being said, we welcome the clarification provided at supporting paragraph 6.8 to the policy, which confirms that the tenure mix set out in the policy is intended as “*the Council’s starting point*” and acknowledges that “*there will be cases where a different mix is more appropriate.*” This demonstrates a constructive degree of flexibility and responsiveness to local evidence, which we strongly support.

We encourage the Council to ensure that such flexibility is clearly reflected in the policy wording itself, not just the supporting text, to give applicants and stakeholders greater clarity and confidence in how affordable housing proposals will be assessed.

Draft Policy H4 Rural exception sites

The WMHAPC welcomes the Council’s inclusion of a rural exception site policy and its acknowledgment in the ability of such sites to meet the housing needs of rural communities across the authority.

The WMHAPC agrees with the principle of securing affordable housing delivered on rural exception sites in perpetuity in line with Annex 2 of the NPPF (2024):

“Rural exception sites: Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of market homes may be allowed on the site at the local planning authority’s discretion, for example where essential to enable the delivery of affordable units without grant funding.”

The WMHAPC supports this policy approach, as it ensures that affordable housing can be delivered in rural areas that would otherwise not be considered suitable for residential development. This is a crucial mechanism for addressing the specific needs of rural communities, supporting local sustainability, and maintaining balanced rural settlements. In order to ensure that the policy is effective in helping to deliver affordable housing that meets local needs, we ask that the Council appropriately considers connectivity for prospective social rented residents when assessing the suitability of rural exception sites.

Draft Policy H7 Housing Standards

We accept that there is a growing need for properties which comply with current Building Regulations and so we support this policy direction; although we remind the Council that the increased delivery of such properties may affect viability and overall affordable housing delivery in Rugby.

We note that criteria A of the draft policy requires that all new dwellings will meet the Nationally Described Space Standard (NDSS). There are concerns that the blanket application of the NDSS across all residential development, including affordable tenures, may undermine the viability of many development schemes. This may potentially result in fewer affordable homes being delivered as optional technical standards have implications for build costs and sales values, with implications in turn for development viability.

We highlight that the PPG² requires local authorities to justify the need for NDSS through considering:

- **“need** – evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.
- **viability** – the impact of adopting the space standard should be considered as part of a plan’s viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.
- **timing** – there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into

² Paragraph: 020 Reference ID: 56-020-20150327

future land acquisitions.”

Without the appropriate evidence, a blanket application of NDSS might undermine the viability of development schemes and through viability testing of application proposals, could result in fewer affordable homes being delivered across Rugby.

It is also relevant that Homes England only requires affordable homes to meet 85% of the NDSS to receive funding. For affordable housing in particular, there may be instances where achieving NDSS is impractical and unnecessary, as it may result in for example, higher rental and heating costs. Homes delivered in the current market by housebuilders are often lower than the 85% requirement. As such, the WMHAPC recommends that other quality standards should be used to determine housing quality, unless the Council can properly evidence the need for NDSS.

On sites that deliver 100% affordable housing, NDSS presents issues in that it increases the risk of financial impairment. The WMHAPC members raise that if a property costs more than it is worth, which is often the case on design and build sites that are 100% affordable and in a low value area such as Telford and Wrekin, then it can cause a financial impairment, or in some cases, a loss. It is therefore imperative that schemes are able to continue to provide good quality housing but at 85% NDSS (which is the accepted position from Homes England) on sites that are delivering 100% affordable housing due to build costs. The below example has been provided by Aspire Housing Association in relation to a current scheme they have in Telford and Wrekin, which shows the financial implications of delivering 100% NDSS on 100% affordable housing schemes.

85% NDSS

Open Market Value per unit average £210k.

Build Cost at 85% NDSS per unit plus acquisition and fees, less grant £196,503.

Headroom per unit of £13,497.

100% NDSS

Open Market Value per unit average £210k.

Build Cost at 100% NDSS per unit plus acquisition and fees, less grant £213,352.

Headroom per unit of £3,352.

As can be seen, NDSS can have substantial impacts on viability. If there is an increased risk of impairment, developers will be more unlikely to deliver new affordable housing.

Furthermore, criterion B requires that all new dwellings shall meet M4(2) of Schedule 1 to the Building Regulations 2010. Thereafter, criterion C requires that 10% of developments proposing 10 or more homes will need to meet M4(3) of Schedule 1 to the Building Regulation 2010.

The WMHAPC accepts that there is a growing need for accessible and adaptable homes and acknowledge that there is an ageing population as well as those living with long-term ill health and disability, however, it should also be noted that the requirement for M4(2) and M4(3) dwellings could have considerable implications on viability and overall affordable housing delivery in Rugby. Some sites do not lend themselves to the statutory provision of M4(3) units. For example, there can be a challenge to achieving such requirements in terms of level access on sites where there are topography issues, so planning policy should acknowledge this as it will not always be possible to achieve this on sites. There may also be viability considerations around the provision of lifts which may also make the provision of level access challenging to achieve and this should be considered when setting requirements.

In light of this, the WMHAPC requests that the Council exercises an element of discretion when considering proposals with regards to requirement for accessible and adaptable homes. The requirements should be judged on a site-by-site basis in line with evidence on local needs to not to cause unnecessary impacts.

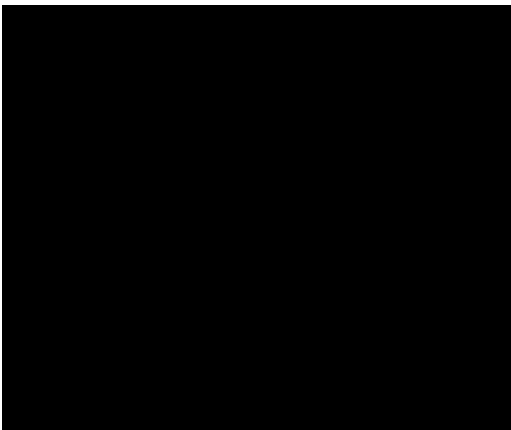
Further comments

We would like the Local Plan to acknowledge the role of Housing Associations in providing affordable housing in Rugby. It would be beneficial to see the Council recognise the role of Housing Associations and encourage developers to have early active engagement with Housing Associations in the

preparation of planning proposals. Early engagement enables Housing Associations to have an active role in the planning and design of developments to ensure that the development addresses local housing needs and meets the management requirements of WMHAPC members.

We would like to use this opportunity to highlight the successful proven track record that Community Land Trusts (CLTs) have in delivering affordable housing for local people. The Council may find it insightful to know that a number of the WMHAPC Housing Associations have delivered significant levels of affordable housing through partnerships with CLTs across the West Midlands. Therefore, it would be particularly useful if the Local Plan acknowledges this working relationship in order to encourage commitment in the Local Plan to support CLTs in their choice of sites.

The above comments are intended to be constructive, to ensure the policies are found sound at examination. We would like to be consulted on further stages of the above document and other publications by the Council, by email only to consultation@tetlow-king.co.uk; please ensure that the West Midlands Housing Association Planning Consortium is retained on the consultation database, with Tetlow King Planning listed as its agent.



cc: Aspire Housing
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Platform Housing Group
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