

RUGBY BOROUGH LOCAL PLAN ISSUES AND OPTIONS LOCAL PLAN

REPRESENTATION FOR ALLESLEY INVESTMENTS

JANUARY 2024

1. Marrons is instructed on behalf of Allesley Investments to prepare representations to the Rugby Borough Local Plan Issues and Options Consultation. On behalf of our client, we offer the following comments, which we trust that the local planning authority (LPA) will find helpful.

Question 1: How much employment land should be planned for?

2. The Coventry and Warwickshire Housing and Economic Development Needs Assessment (HEDNA) 2022 quantifies the amount of employment land required by each local planning authority within the Functional Economic Area (FEMA) and, in the case of strategic warehousing land, across Coventry and Warwickshire as a whole to both 2041 and to 2050.
3. Paragraph 11.7 of the HEDA reports high net floorspace changes in Rugby and North Warwickshire in particular, driven by warehousing developments and high demand for this kind of floorspace. Paragraph 11.10 of the HEDNA indicates that completions data is likely to be the best representation of market needs for industrial and warehousing floorspace and that monitoring data by local planning authorities suggests “far higher” levels of commercial floorspace have been achieved and therefore may be required in the future. We are broadly supportive of using historic delivery as a minimum benchmark for future needs, but the final employment land requirement will need to be informed by a wide range of factors to support a competitive economy.
4. We would strongly encourage the LPA to treat the figures identified within the HEDNA as a minimum and consider, as part of setting the employment requirement, market demand, the deliverability of the existing forward economic development land supply, business requirements, and a robust understanding of pre-existing employment sites that may come forward for redevelopment and the deliverability and availability of these sites.
5. Whilst recognising that Rugby Borough Council was not involved in the preparation of it, the West Midlands Strategic Employment Sites Study (May 2021) (“SESS”) provides a useful basis for understanding employment land needs and supply. It reported (at paragraph 7.30) that recent levels of demand and take up of employment floorspace could increase into the future compared to historic trends given the attraction of the West Midlands generally as a location for investment as well as the ambitions of the Local

Enterprise Partnerships (LEPs) to grow the economy and to increase productivity. It furthermore recommends that detailed engagement is undertaken to provide a greater understanding of market dynamics driving the demand for industrial floor space through the sub-region in order to fully understand the potential scale of growth needs; the needs of modern logistics; and “Just in Time” delivery for manufacturing plants.

6. The Issues and Options consultation document notes that the 2021 SESS will be updated. We advise that the update report should consider the recommendations of the 2021 study and assess wider economic growth aspirations and market demand as part of setting the employment land requirement, rather than just historic trends of delivery. We note the content of the Sustainability Appraisal (SA) Scoping Report which has identified the regeneration local economy to provide a significant number of local jobs to help alleviate deprivation and social exclusion, and reduce out-commuting as a key sustainability issue for the emerging local plan to address. We agree wholeheartedly with this objective but it is unlikely that it will be achieved by planning for the minimum amount of economic development land set out within the HEDNA. As such, we would suggest the final employment land requirement is informed by an aspirational but deliverable economic growth strategy-led figure that addresses the need to regenerate the local economy and improves local employment and skill opportunities, as well as the factors set out above.
7. The quantity of employment land planned for will also be influenced by the period to be covered by the emerging local plan. The HEDNA, as well as the consultation document, considers employment growth needs to 2041 and to 2050. A number of potential strategic employment locations identified on page 17 of the consultation document lie within the Green Belt. As the LPA will be aware, paragraph 140 of the National Planning Policy Framework (NPPF) sets out that strategic policies should establish the need for changes to Green Belt boundaries, having regard to their intended permanence in the long term, so that they can endure beyond the plan period. As a result, we recommend the emerging local plan anticipates and responds to long-term requirements and opportunities in setting and meeting the employment land requirement which suggests that a plan period to 2050 is the most appropriate option.
8. In setting the employment land requirement, the LPA should also consider unmet needs arising from Coventry recognising that Coventry City Council’s administrative boundaries are tightly drawn around the city’s urban area. It is noteworthy that over the last plan period a shortfall of 241ha of employment land arose from Coventry and was redistributed elsewhere within the FEMA, with Rugby accommodating 98ha (or 40%) of the overall shortfall. Given that Rugby is likely to be one of the FEMA authorities where demand for employment floorspace is the strongest and given the Borough’s functional links with Coventry it is only sensible that Rugby continues to play a significant role in meeting unmet needs from Coventry in respect of land for economic development.

Question 3: Comments on the suitability of any of the broad locations listed

9. Page 17 of the consultation document identifies 8 potential employment locations that in the main fall around Rugby itself or adjacent to or near Coventry including one potential growth location south of Hinckley. We support the identification of land in the vicinity of M6

Junction 1 to the north west of Rugby as this broad location can play a significant part in meeting employment growth needs as part of a wider mixed-use scheme.

10. Paragraph 11.22 of the HEDNA sets out a number of key locational considerations in relation to how strategic employment needs should be met and it is clear that Land at M6 Junction 1 accords with these criteria.
11. In relation to road accessibility, the site is located where it can be accessed from the strategic road network (in this instance Junction 1 of the M6) obviating the need for HGV traffic to travel through built-up areas. The broad area is also adjacent to and accessible from Rugby, the Borough's principal settlement providing good labour availability accessible to the site via sustainable means of transportation. Given the extent of land availability in the control of our client, the site can also come forward in a manner that safeguards the amenities of future and existing residential occupiers without generating land use conflicts. Strategic development of this broad location also carries with it the opportunity to provide highways infrastructure improvements in the form of a link road. Initial modelling suggests that such an intervention carries the potential to alleviate traffic congestion on the A426 corridor and significantly improve the effective functioning of the road network in Rugby.

Question 6: Are there exceptional circumstances that mean we should amend Green Belt boundaries to meet the need for employment land?

12. The scale of employment need arising from both Rugby itself and unmet need from Coventry is likely to be significant when considering the strategic role these locations play in certain sectors particularly in large-scale logistics. As discussed above in relation to the HEDNA's commentary on locational requirements, strategic employment sites require careful consideration in respect of a number of key factors which allow them to function effectively and sustainably without generating materially harmful impacts, chief amongst these being access to a labour pool and the strategic road network. That is reflected in the fact that of the 8 potential strategic employment sites identified in the consultation, 6 are within the Green Belt which clearly indicates that a Green Belt review is necessary if employment needs are to be met in the most spatially appropriate way. Having regard to the analysis in the West Midlands Strategic Employment Sites Study (May 2021), this is largely consistent across the region as a whole, so it is unlikely that Rugby or Coventry could export their needs to other authorities within the FEMA or the sub-region in a manner that would obviate the need for Green Belt release.
13. It is recognised in general terms that there are parts of the Borough not constrained by Green Belt but it is unlikely to be feasible or consistent with overall sustainability objectives to concentrate the significant level of need on these areas. It is also notable that the non-Green Belt broad locations for strategic employment identified within the consultation document are likely to exacerbate traffic impacts on the A45 and A5, which have known capacity issues and that only 3 of the 8 broad locations identified have direct access to the motorway network.
14. Given the scale of need for employment land within the Borough, the specific locational requirements for strategic employment growth, the need to ensure sustainable patterns of

growth generally and the lack of reasonable and deliverable alternatives outside the Green Belt, we consider there exceptional circumstances exist for Green Belt release to meet employment land needs. That said, exceptional circumstances must also be demonstrated at the site-level. In order for these to be made out, a detailed and up-to-date understanding is required of impacts of potential development sites on the openness and the purposes of the Green Belt. In order for this to be achieved, a Green Belt study will be required which considers the value of strategic Green Belt parcels as well as more localised parcels and specific sites, which may be appropriate for development.

15. Without pre-judging the outcome of any future Green Belt study, we note the content of the March 2019 Inspector's report into the soundness and legal compliance of the adopted Rugby Borough Local Plan in respect of potential strategic Green Belt release. Paragraph 72 of the Inspector's report found that the A46 on the east side of Coventry represented a strong, clearly defined boundary and that breaching this boundary would cause significant harm to the purposes of the Green Belt, most notably in relation to the need to safeguard the countryside from encroachment and to check unrestricted sprawl. That finding may restrict options for strategic employment growth on the edge of Coventry where they breach the A46 boundary.
16. Exceptional circumstances at the site level must also be considered in relation to the potential for the provision of strategic infrastructure to mitigate the impacts and to improve the existing road network. As noted above, the M6 Junction 1 broad location provides the opportunity to significantly improve the performance of the A426 within Rugby in the form of a potential link road whereas the other broad locations considered may just exacerbate existing transport issues.

Question 31: How many homes should we be planning for?

17. The HEDNA and consultation document contain two alternative calculations for housing need. The first is based on the Borough's Local Housing Need (LHN) figure calculated using the Standard Method the basis of which is the 2014-based household projections. The second is the HEDNA's own method for calculated housing need which uses the most up-to-date information available to produce a projection for future population and household growth, with an affordability uplift applied as per the Standard Method. The HEDNA's approach is predicated on the assumption that the 2014-based projections over-estimate household growth in Coventry. For Rugby, the figures produced by the HEDNA are 506 dwellings per annum (dpa) as per the Standard Method and 735 dpa as per the HEDNA.
18. The Planning Practice Guidance (PPG) is clear that the LHN represents the minimum number of homes that should be planned for. It does not produce a housing requirement, which is a separate exercise. As such, whilst 506 dpa exists as one option for a starting point for the Borough's needs using the Standard Method, this should not be treated as analogous to the housing requirement. The HEDNA's alternative calculation of need may differ from the Standard Method in that it uses 2021 census data, but its calculation of housing needs is similarly one-dimensional in that it does not consider factors which may indicate a higher housing requirement than that reflected by its baseline demographic-based assessment of need adjusted for affordability. These factors are (non-exhaustively)

listed in the PPG and include growth strategies, strategic infrastructure improvements, unmet need from other local authority areas and situations where previous delivery, or assessments of need, are significantly greater than the outcome of the Standard Method. Uplifts should also be considered in relation to economic growth to ensure an integrated approach between homes and jobs and to facilitate the delivery of as many affordable homes as possible to meet needs, as well as meeting needs for other specialist housing types and tenures.

19. In terms of past delivery trends for housing, it is noteworthy that the LPA's housing requirement in the adopted local plan (540 dpa) is higher than the Standard Method figure with the average delivery figure since 2011/2012 (the base year of the adopted local plan) higher still, sitting at approximately 673 dpa. This alone suggests that the Standard Method is inappropriately low, although past delivery sits within the range of the HEDNA's alternative estimation of need using 2021 census data.
20. In relation to affordable housing in particular, the HEDNA estimates an annual need for 495 affordable homes per annum in Rugby alone. This is a significant proportion of the overall housing need figure and significantly more than previous estimations of affordable housing need, such as in the Strategic Housing Market Assessment 2015 which estimated the need for 171 affordable homes per annum for Rugby. Having regard to monitoring data, since the base year of the adopted local plan, Rugby has seen an average annual delivery of circa 121 affordable homes per annum, considerably less than recent or current estimations of need. The consultation document appropriately recognises the Borough's considerable need for affordable housing and this should be factored into the formulation of the housing requirement where a suitable uplift is considered to facilitate the delivery of more affordable homes.
21. A further factor that may exert upward pressure on the housing requirement is unmet need from other areas such as Coventry. Coventry City Council (CCC) is undertaking its own review of its adopted local plan, having recently completed an Issues and Options consultation. As part of that consultation, the CCC set out a preferred approach to its housing requirement, opting for the HEDNA trends-based figure without the Standard Method's urban uplift factored in resulting in an overall figure of 1,455 dpa which is lower than the HEDNA (1,964 dpa) and the Standard Method (3,188 dpa). The soundness of this approach as well as the amount of development that can be feasibly accommodated within CCC's own administrative boundaries is a matter for Coventry's own plan-making process, and the apportionment of any unmet need a question for further Duty to Cooperate (DtC) discussions between CCC and the Warwickshire authorities. Suffice to say whilst the "exceptional circumstances" for departing from the Standard Method are grounded in the purported inaccuracy of the 2014-based household projections in relation to Coventry, this matter bears little relation to the Standard Method's urban uplift, and it seems unlikely that jettisoning this aspect of the Standard Method contrary to the approach of national policy and the HEDNA is justified, barring any change of Government policy in this respect.
22. Matters of need across the HMA will be considered through any examination of the Rugby Local Plan. Given the approach of CCC to its housing requirement and the future uncertainties related to the scale of CCC's unmet need, it would assist in future-proofing

Rugby's emerging local plan if it made provision for contingency in relation to potential unmet growth needs arising from Coventry. Such an approach would render it able to respond to changing circumstances and provide suitable flexibility. Without such a mechanism, the emerging local plan is unlikely to be positively prepared in relation to meeting potential unmet growth needs.

23. In relation to economic growth, the housing requirement should respond to the employment land requirement to ensure an integrated approach between homes and jobs. It is clear from the HEDNA's evaluation of housing need that this has not been informed by the likely significant levels of economic growth associated with demand for industrial and logistics floorspace within the Borough, which is likely to be above the minimum levels calculated by the HEDNA when market demand, economic growth strategies, supply-side flexibility and cross boundary needs are taken into account. In undertaking further assessment of housing and economic needs, we would suggest that the expected job creation associated with the delivery of land for economic development is taken into account in formulating the housing requirement.
24. As discussed above, we consider that the formulation of the housing requirement should be influenced by a number of critical factors which are absent from the Standard Method and from the HEDNA. As such, the figures produced by both assessments should be treated as a minimum starting point rather than as being analogous to the housing requirement and further assessment is required in formulating the housing requirement to ensure an adequate supply of affordable homes, to ensure an integrated approach between homes and jobs, and to make adequate contingency for unmet needs from Coventry in order to provide the emerging local plan with flexibility to respond to changing circumstances.
25. In respect of the overall level of housing provision this will be influenced by the chosen plan period. As with employment land needs, two housing needs scenarios are presented, one to 2041 and the other to 2050. Given the likelihood of the need for Green Belt release and the NPPF's advice that adjustments to Green Belt boundaries must be capable of enduring in the long-term, we would suggest that a plan period to 2050 would be the most appropriate.
26. We note from the consultation document that the calculations of housing need in the tables on page 51 incorporate a 10% supply buffer. Whilst such a buffer is not a substitute for formulating robust housing requirement, we are supportive of the principle of providing a level of supply-led contingency to provide sufficient flexibility. Depending on the chosen spatial strategy and the specific sites proposed for an allocation, it may be appropriate to adjust the supply buffer to address any uncertainties associated with delivery.

Question 33: Please provide any comments you have on the suitability of any of the broad locations listed above for new housing. Are there any locations that we have missed?

27. As with the potential locations for strategic economic growth, those presented for strategic housing growth are mostly within Green Belt locations. At the strategic-level, it must be recognised that the most sustainable locations in Rugby are adjacent to Rugby itself and

the Coventry urban fringe followed by the larger rural settlements. Many of these locations are constrained by the Green Belt, albeit Rugby is free of such a constraint on its southern and eastern periphery. It should be noted, however, that the non-Green Belt fringes of Rugby already play host to a substantial number of adopted allocations that will continue to deliver beyond the current plan period and so viable options adjacent to Rugby and outside of the Green Belt may be limited by the scale of commitment already present at these locations.

28. In any event, based on the number of Green Belt broad locations identified, a comprehensive Green Belt study should be carried out in order to assess the performance of the Green Belt in these locations and across the Borough more generally in terms of its contribution to openness and to Green Belt purposes.
29. To achieve sustainable and deliverable patterns of growth, it is unlikely to be viable to concentrate all development needs within the relatively small area of the Borough outside of the Green Belt. Paragraph 147 of the NPPF advises that when drawing up or reviewing Green Belt boundaries, the need to promote sustainable patterns of development should be taken into account. Relatedly, Green Belt release should be prioritised around those settlements that are most sustainable and can readily accommodate growth. As set out above, however, Green Belt release options around Coventry may be limited by the clear and logical boundary presented by the A46. It is likely the broad location south of Hinckley will also have the same issues by virtue of breaching the A5 in addition to the likelihood of creating coalescence between two large towns, namely Hinckley and Nuneaton. Accordingly, the balance of the evidence available suggests at this stage that Green Belt release should be focused around Rugby itself and the larger rural settlements rather than the neighbouring conurbations of Hinckley and Coventry.
30. The strategic case for Green Belt release will also need to consider the scale of housing need required over the plan period. If the plan period was taken to 2050, the scale of that need is likely to be significant even based on the minimum figures outlined within the HEDNA, before taking account of addressing unmet needs; delivering sufficient affordable housing; aligning the approach between homes and jobs; and building in sufficient contingency. In order to deliver the likely scale of the housing requirement sustainably and to ensure sustainable patterns of growth that are supported by existing and planned services, facilities and infrastructure, it is important that a comprehensive Green Belt review is carried out to ensure that the Borough's most sustainable locations can play a role in supporting growth over the plan period.
31. The case for exceptional circumstances must also be considered at a site level. The broad location at M6 Junction 1 offers the ability to deliver a mixed use scheme for housing and employment resulting in significant value-added to the local economy in a location easily accessible by existing and future residents. As discussed above, delivery of strategic development at this location also provides the opportunity to bring forward road infrastructure in the form of a link road, which would considerably improve the performance of the local road network representing a significant benefit to Rugby.
32. Social infrastructure provision is also a key consideration in respect of exceptional circumstances and it should be recognised that large-scale developments well-related to

existing areas of population (such as M6 Junction 1) can contribute to providing land for schools development to meet ongoing needs depending on the exact nature of the form of development. Clearly, a large-scale residential allocation at this location carries with it the potential for the delivery of school provision which could contribute meet the infrastructure needs of the town.

33. We note the content of the Warwickshire County Council Education Services Annual Education Sufficiency Update (November 2023) which reports pressure on primary school places particularly at Key Stage 2 within Rugby. Whilst noting there is a pipeline of primary school sites arising from existing strategic allocations, clearly there is a need to address the pressures on education capacity arising from planned housing development which should also be considered as part of any site-level consideration of exceptional circumstances for Green Belt release.

North of Rugby, Strategic Opportunity

34. On behalf of Allesley Investments, Marrons is promoting Land North of Rugby for a sustainable urban extension comprising homes and jobs and associated infrastructure including a strategic link road.
35. Allesley Investments are able to flexible in the approach to be taken to the number of homes and amount of employment land. Early masterplan arrangements have been drafted to explore these opportunities with the amount of homes ranging from 1,300 to 3,000 units and employment land ranging from 14ha to 99ha. Ultimately, the mix can be determined to meet needs and Allesley Investments are willing and able to explore that in partnership with the local planning and highways authorities.
36. The proposal could be delivered alongside a new link road for the A426 which will substantially improve the performance of the local road work and ease congestion in the town. The site offers the opportunity to connect into the existing national cycle network and into the centre of Rugby providing substantial opportunities for sustainable travel, in addition to new on site facilities to introduce amenities and employment opportunities close to where people live. Although related to the number of homes to be delivered, masterplan options have included potential land for 2 primary schools, a secondary school and a local centre.
37. Whilst recognising the need for a balanced supply of housing sites including small and medium sites, the NPPF at paragraph 74 states that the supply for a large numbers of new homes can often be best achieved through planning for larger scale development, including significant extensions to existing towns, provided they are well located and designed and supported by necessary infrastructure and facilities, including a genuine choice of sustainable transport modes. The North of Rugby Strategic Opportunity offers such a location by virtue of its sustainable location, variety of infrastructure provision, opportunities to embrace active travel and its mixed use nature.

Green Belt

38. The majority of North of Rugby is washed over by the Green Belt. The preparation of the emerging proposals have been informed by analysis of the strategic Green Belt parcel lying to the west of Rugby. The aspect of the Green Belt most closely associated with built form (i.e. the industrial estate to the east and existing housing to the west), is considered to perform poorly against Green Belt purposes given its close relationship with the built edge. There are also urbanising influences further afield such as the pylons that cross the site, the M6 to the north and existing road infrastructure and buildings. Long term structural planting can also work with existing green infrastructure to provide further containment to the proposed built-form.

Highways

39. A comprehensive engagement exercise is underway with Warwickshire County Council regarding the benefits of a new highway link and the associated development, to the West of Rugby. A methodology and approach has been agreed with Warwickshire County Council which includes the use of the 2036 Rugby Wide Area Paramics Model. Following this initial scoping exercise, the development and infrastructure scenarios have been tested to inform the optimal option.
40. A total of seven scenarios have been tested as have potential Link Road configurations and further modelling is being refined to identify a preferred option. What all scenarios have in common, however, is that they result in a significant enhancement in the performance of the A426 and alleviate existing congestion issues in the town. As such, the delivery of Rugby North is associated with a net benefit in the performance of the local highway network.
41. The site presents an opportunity to connect into the national cycle network and the train station as well as the centre of Rugby. It is also well served by and presents the opportunity to enhance public transport connectivity with existing bus routes at Swift Valley Industrial Estate easily extendable to serve the proposals.

Green Infrastructure

42. North of Rugby brings with it an opportunity to deliver substantial Green Infrastructure improvements in the area particularly around the more sensitive southern parts of the wider site. Given that none of the existing site is publically accessible other than through defined-public rights of way, delivery of Rugby North presents an opportunity to enhance the beneficial use of the Green Belt through the creation of new habitats, publically accessible open space, community food growing opportunities and tree planting in line with national policy advice.
43. We will continue to engage with the local planning authority, the local highway authority and key local stakeholders as the emerging proposals develop for the site, but we consider that it represents an excellent opportunity to meet long-term housing and economic needs.

Conclusion

44. We trust the LPA will find the above comments helpful in the preparing the emerging local plan.