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Date: **16 October 2023**

Nuneaton and Bedworth Borough Council
Town Hall
Nuneaton
Warwickshire
CV11 5AA

Dear Sir/Madam,

Nuneaton and Bedworth Borough Plan – Regulation 19 Consultation

Thank you for your email dated 4th September 2023, inviting Hinckley & Bosworth Borough Council (HBBC) to comment on the above document. HBBC note that the purpose of this consultation is to seek views on the final version of the Borough's new Local Plan prior to its submission and comments should focus on the matters of legal compliance, duty to cooperate and soundness.

HBBC and NBBC are closely related geographically with the A5 dividing the two Borough's. The A5 is identified as being at capacity which means that any future growth within the two Borough's needs to be carefully planned and mitigation identified. With this in mind, the Borough Council would like to acknowledge the ongoing working relationship with Nuneaton and Bedworth in regard to plan making and welcome the invitation to work more closely on key strategic matters which have cross boundary implications. HBBC have commented on previous stages of the Local Plan and highlighted issues in relation to infrastructure through this process, the Borough Council will draw upon these comments in this response to establish whether the necessary considerations have been made to the Borough Council's previous comments.

Policy DS1 – Sustainable Development

HBBC support the intentions of DS1 and note that the climate change agenda is woven through the Local Plan as it cannot be addressed in silo. The Borough Council would like to recommend the deletion of either the first sentence or third paragraph of DS1 as the sentences are repeated.

Policy DS3 – Overall Development Needs

HBBC notes that the Plan seeks to make provision over the plan period to 2039 for:

- 9,810 homes based on 545 dwellings per annum;
- 66.45ha of employment land for local industrial and distribution/warehousing development (including 5.35ha for replacement provision);
- 2ha of employment land for office space;

- 19.4ha of employment land for strategic B8 warehousing and distribution development (indicative); and
- A further 5.6ha of land will be allocated as future cemetery land burial space (allocation CEM-1) and beyond.

Housing need

It is noted that Nuneaton and Bedworth Borough Council have decided to use a combination of an updated Housing and Economic Development Needs Assessment (HEDNA) and a bespoke report '[Towards our Housing Requirement](#)' to calculate its housing need instead of the standard method in order to provide a more-up-date assessment. The NPPF' paragraph 61's guidance on using an alternative approach to the standard method would need to qualify as an exceptional circumstance which reflects current and future demographic trends and market signals. We understand that the Report 'Towards Housing Requirement' explores the alignment of the housing delivery alongside the Councils' economic strategy (Planned Economic Growth Scenario) and identifies that this will support development viability and enabling infrastructure. The Report recommends that the Council should plan for higher housing provision than the minimum of around 545 dwellings to support economic growth, support the regeneration of Nuneaton Town Centre and the delivery of affordable. The Borough Council support the method undertaken by NBBC to establish its housing requirement but still hold concerns that the impact of this additional growth on the A5 and surrounding network within HBBC has not been fully considered as our comments will explore in regard to allocation SHA1.

Cross boundary implications of development and Housing Allocation SHA1 Land at Top Farm, North of Nuneaton

The plan proposes a strategic housing allocation, Top Farm for 1700 dwellings, along the A5 which is in relatively close proximity to the boundary with Hinckley and Bosworth and the rural village of Higham on the Hill. Proposals for development, regardless of proximity to Hinckley and Bosworth Borough should be planned alongside necessary infrastructure requirements to minimise any impact on the services and infrastructure within Hinckley and Bosworth. The A5 is currently operating over capacity, and it is likely that a development of this scale would have an adverse impact on the highway network in this area, including HBBC.

In response to the NBBC Local Plan Preferred Options Consultation HBBC highlighted the potential impact on the A5 affecting pinch points at the Dodwells and Longshoot junctions which the Borough Council have become aware of through some of its own proposed site allocations work in the emerging Local Plan. In addition the Borough Council highlighted the planned expansion of the Horiba MIRA site north and south of the A5 as well as potential impact arising from the expected NSIP Hinckley National Rail Freight Interchange proposal, which is currently going through the examination stage and is due to conclude on the 12th March 2024. The Borough Council requested through the Preferred Options Consultation that all of these proposals should be accounted for in any transport assessment relating to the Top Farm proposal to demonstrate that the A5 has capacity to cope with the cumulative additional traffic and that suitable highway improvements are provided for in the IDP should that not be the case.

Turning to the [Strategic Transport Assessment \(2023\)](#), the Borough Council note that paragraphs 3.96-3.101 set out the sites that have been considered in the cumulative impact assessment. The Borough Council are disappointed to see that with the exception of Keats Lane, only existing Local Plan allocations are considered and the STA does not consider looking at future population growth in the settlements of Hinckley and Burbage which border the A5 and NBBC for the Plan Period. The Borough Council are therefore concerned that the cumulative impact tests carried out in the STA have not been completed in sufficient detail to fully consider the impact of future cross boundary population growth and the allocation

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of SHA1 on the surrounding strategic network (namely the A5 but also the A47) which as highlighted the Borough Council have become aware of through its own work

Criteria 18 of Policy SHA1 states that *'Transport improvements/upgrades required to alleviate impacts of the development including along Higham Lane, A47 Hinckley Road, Weddington Road, the A5 and the Long Shoot.'* Paragraph 7.34 of the supporting text continues that *'The Transport Modelling Report, commissioned by Warwickshire County Council, sets out a number of strategic road improvements in order to mitigate potential cumulative impacts of all proposed strategic housing and employment allocations within the Borough Plan. The development of the site is expected to contribute financially towards the Nuneaton area road improvement schemes, set out in the Transport Modelling Report, via planning obligation.'* The Borough Council welcomes any improvements to these areas which connect the two Borough's although have concerns as highlighted above that these have not fully considered cumulative population growth in neighbouring authority areas.

In the Borough Council's Preferred Options Consultation response it was requested that the Borough Council and Leicestershire County Council (Highways Authority) could review the document to ensure that effective delivery mechanisms for cross-boundary strategic transport schemes are achieved to accommodate the combined impact of growth in our respective Boroughs. The Borough Council have reviewed the STA through this consultation process and have made the above observations.

Policy HS2 – Strategic accessibility and sustainable transport

Paragraph 11.16 of the supporting text of Policy HS2 states that *'The Strategic Transport Assessment (2023) highlighted the transport implications of bringing forward the strategic allocations. The 2023 Strategic Transport Assessment identified that the strategic site allocations should adopt a 15% modal shift target⁸⁸. Without the 15% modal shift the transport network was considered unlikely to operate to a satisfactory level⁸⁹'*. The Viability Assessment (2023) identified that policy HS2 would have a low/marginal viability impact but concludes that: *'Allowed for within overall costs including s106 contributions, alongside general design requirements, build costs, external works, site works etc. However, could have a site specific impacts and as such would need to be treated as an abnormal costs in weighing-up the overall viability position on a the particular site'*. The Borough Council have concerns that the Local Plan's evidence is stating that the allocation of SHA1 is only acceptable in highways terms if the 15% modal shift target is achieved but the Viability Assessment is highlighting that when considering the overall viability of the site it may be determined that the requirements of HS2 are abnormal and therefore not delivered on the ground. This would have a significant impact on the A5 which is already at capacity due to the level of growth received on its borders and would have a negative impact on residents of Hinckley and Bosworth. The Borough Council are concerned that the strategic allocation is based on the reliance of the 15% modal shift target and there is no certainty this can be achieved on allocation SHA1 due to viability and is not specified within Policy SHA1 and therefore the A5 will not be able operate at a satisfactory level adding to congestion and air quality issues.

Policy HS2 also requires the cumulative impact on air quality and measures included so that the impact exacerbated. As highlighted in the previous application the Borough Council hold concerns that site allocation SHA1 will not be effective in this regard due to the reliance on the modal shift of 15% to sustainable transport modes and the already overcapacity A5.

Viability Assessment (2023)

The accompanying Viability Assessment (2023) sets out the assumptions used on the selection of BCIS data and note that to reflect economies of scale *'the lower quartile 'mixed developments' build cost rate has been applied in the case of the strategic site tests (only)'* (paragraph 2.10.1). This lower quartile build cost rate would therefore apply to strategic site allocation SHA1. The Viability Assessment concludes that:

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'build costs continued to rise, but in recent months this trend has also been seen to slow down - with materials shortages and prices easing. Until recently, whilst, broadly, we have seen across our work at both plan making and decision taking stages (covering a wide range of areas) that house price inflation has been able to largely support costs growth, this relationship has been weakening in the last few months. Latest reports by BCIS and others suggest that build costs are likely to continue increasing in the coming period owing mainly to labour shortages, although at much more modest rates compared with the build costs trend of the recent spell. This comes at a time when the support for rising costs will not be there in the same way from the house price trends. Along with very latest news (June – July 2023) of further rises in the bank base rate and this now flowing through to mortgage rates reaching a c. 15 year high, with inflationary pressures being sustained in the economy generally and the recent apparently more settled mortgage market being lost, clearly at this final full reporting time we are at a low point in the economic cycle. Development finance costs have been increasing, looking only at short term / current movements again compared with the longer-term view appropriate for the BPR overall' (paragraph 3.2.3).

The conclusions of the Viability Assessment surmises that development costs are increasing, if this is coupled with considering strategic site allocation SHA1 with a lower build cost rate and the Viability Assessment identifying that Policy HS2 'would need to *be treated as an abnormal costs in weighing-up the overall viability position*' can SHA1 be delivered with the 15% modal shift in transportation so that the A5 operates at a '*satisfactory level*'? As highlighted previously the Borough Council are aware of the acute capacity issues on the A5 and the delivery of SHA1 appears to be reliant on the 15% modal shift so that it is acceptable in highways terms, however the Viability Assessment suggests that this requirement could impact on the viability of a scheme and may not be delivered as it is an 'abnormal cost'. This would then be to the detriment of users of the A5 and residents and businesses within Hinckley and Bosworth if the allocation would make the A5 operate at an unsatisfactory level.

The Government's recent publication 'Network North: Transforming British Transport' (October 2023) corresponds with the Borough Council's concerns in regards to the A5 and highlights the need for strategic road upgrades on the A5 between Hinckley and Tamworth at particular pinch points. The exact details of these improvements have not been made public at the time of writing.

In regards, to the soundness of the Local Plan Review the Borough Council would welcome further discussion with NBBC in conjunction with Leicestershire Highways Authority to discuss the transport-based evidence.

We look forward to continue working with Nuneaton and Bedworth Borough Council in the development of our respective local plans and on wider cross boundary planning issues

Kind regards,

R. Dexter

Planning Policy Consultant