



**Rugby Borough Council**  
**Housing Needs**  
**Supplementary Planning Document**

**July 2021**

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# Chapter 1. What is an SPD?

## Purpose of this SPD

1.1 Supplementary Planning Documents (SPD) are produced by Local Planning Authorities (LPAs) to provide additional guidance to support the implementation of Local Plan policies. SPDs can provide details regarding environmental, social, design and economic objectives which are relevant to the development and use of land as indicated in a Local Plan. SPDs are material considerations in planning decisions but are not part of the development plan.

1.2 The requirements for producing SPDs are set out in Regulations 11 to 16 of the Town and Country Planning Regulations (Local Planning) (England) 2012 (TCPA Regulations) and the National Planning Policy Framework (February 2019). This SPD has been prepared in accordance with these regulations and the Council's Statement of Community Involvement (2019) (SCI).

1.3 SPDs cannot introduce new policy. There have also been further updates to national Planning Practice Guidance in terms of the scope of what can be included within SPDs. Specifically, there has been further guidance which states:

“It is not appropriate for plan-makers to set out new formulaic approaches to planning obligations in supplementary planning documents or supporting evidence base documents, as these would not be subject to examination.”<sup>1</sup>

The scope of this document has been carefully considered to reflect that guidance.

## Objectives of this SPD

1.4 This SPD seeks to:

- Assist the implementation of Rugby Borough Local Plan Policies H1-H6
- Provide detail to assist planning decisions to ensure the housing delivery targets in the Local Plan are met
- Complement other SPDs such as the Sustainable Design and Construction SPD and Planning Obligations SPD
- Provide further details on affordable housing delivery mechanisms such as off-site contributions
- Identify principles of best practice in the design of affordable housing
- Detail the circumstances under which rural exception sites may be acceptable
- Provide further details on specialist housing and matters such as affordable housing contributions
- Provide clarity on the emerging area of self-build and custom housebuilding

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<sup>1</sup> (William Davis Ltd) v Charnwood BC [2017] EWHC 3006

## Public consultation

1.5 In accordance with the TCPA Regulations and the Council's SCI, this SPD was subject to a 6 week public consultation. The consultation ran between 10<sup>th</sup> November 2020 and 22<sup>nd</sup> December 2020.

1.6 The SCI sets out who the Council will engage with on the preparation of planning documents, how and when they will be engaged. This includes a minimum consultation period of four weeks and sets out the process for adoption of the document. In light of the coronavirus pandemic the Government introduced new temporary Planning Practice Guidance to ensure planning consultations are still able to run effectively and are safe and adhere to Government guidance on social distancing and other measures. On 25<sup>th</sup> August 2020, in response to the Government's revised guidelines, the Council adopted Supplementary Guidance to the SCI. The consultation was undertaken in accordance with the SCI and the Supplementary Guidance to the SCI.

1.7 The consultation was undertaken in compliance with the Council's privacy statement, which is available to view here:

[https://www.rugby.gov.uk/downloads/file/942/joint\\_strategic\\_housing\\_market\\_assessment\\_report\\_2013](https://www.rugby.gov.uk/downloads/file/942/joint_strategic_housing_market_assessment_report_2013)

## Sustainability Appraisal and Habitats Regulations

1.8 A Sustainability Appraisal (SA) was undertaken for the Rugby Borough Local Plan 2019 and is available to view here:

[https://www.rugby.gov.uk/downloads/download/227/sustainability\\_appraisal](https://www.rugby.gov.uk/downloads/download/227/sustainability_appraisal)

1.9 A Strategic Environmental Assessment (SEA) Screening Opinion and Habitats Regulation Screening were undertaken for this SPD.

## Equalities Impact Assessment

1.10 An Equalities Impact Assessment was undertaken for this SPD.

## Chapter 2: Introduction

### National Planning Policy Framework (NPPF)

2.1 National planning policy is set by the National Planning Policy Framework (NPPF). The NPPF places a general presumption in favour of sustainable development, stressing the importance of local development plans. The NPPF is supported by the Planning Practice Guidance (PPG). The NPPF was revised in February 2019. The government also uses Written Ministerial Statements (WMS) to set out policy positions. The current NPPF defines affordable housing as:

“Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

**a) Affordable housing for rent:** meets all of the following conditions:

**(a)** the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable);

**(b)** the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and

**(c)** it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

**b) Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.

**c) Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

**d) Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the

homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision or refunded to Government or the relevant authority specified in the funding agreement.”

### **Interpretation of affordable housing definitions**

2.2 ‘Affordable housing’ consists of specific housing products separate from market housing. ‘Affordability’ means how affordable housing is in relation to incomes. This is a key distinction.

### **Rugby Borough Local Plan 2011-2031**

2.3 The Rugby Borough Local Plan 2011-2031 (Local Plan) was adopted in June 2019. The Planning Inspector’s report into the Local Plan can be viewed here:

[https://www.rugby.gov.uk/downloads/file/2260/planning\\_inspectors\\_report\\_on\\_the\\_rugby\\_borough\\_local\\_plan\\_2011-2031](https://www.rugby.gov.uk/downloads/file/2260/planning_inspectors_report_on_the_rugby_borough_local_plan_2011-2031)

### **Contextual overview of Rugby Borough**

2.4 Rugby Borough’s overall population remained steady between 1980-2001 but between 2001-2011 the population increased significantly by 14.8% to around 100,496 (Nomis, 2015). The projected population increase between 2011 and 2031 is expected to be 15.5%, which would bring the population to around 115,236 (Nomis 2015).

2.5 The average household size within the Borough of Rugby is 2.4 persons. Proportionally the number of households has risen faster than the population, which is partly due to over a quarter (28.1%) of Rugby’s households being occupied by a single person.

2.6 Across Warwickshire as a whole, the highest rates of projected population growth are in the groups aged 65 and over. The eldest age group (those aged 85 and over) is projected to increase by over 190% by 2035. Housing provision within Rugby Borough will need to take account of the effects of an ageing population, with a need to focus on the provision of the type of housing to respond to this changing demographic. The NPPF acknowledges this trend, which is a national issue and makes specific requirements on Local Plans to address this problem through the provision of different forms of supported housing.

### **Strategic Housing Market Assessment (SHMA)**

2.7 The Coventry and Warwickshire Joint Strategic Housing Needs Assessment (SHMA) September 2015 identifies that affordability is a challenge within Rugby Borough, as well as the wider Housing Market Area (HMA).

[https://www.rugby.gov.uk/downloads/file/942/joint\\_strategic\\_housing\\_market\\_assessment\\_report\\_2013](https://www.rugby.gov.uk/downloads/file/942/joint_strategic_housing_market_assessment_report_2013)

2.8 The SHMA analysed the existing housing stock, supply trends and the housing market in Rugby Borough. This determined that Rugby Borough’s housing offer is fairly balanced in term of housing types and sizes. When considered against Objectively

Assessed Need, the SHMA identifies that there should be a focus on two and three bedroom properties.

### Local Plan Allocations

2.9 The Local Plan 2019 makes provision for 12,400 additional homes, including 2,800 dwellings to contribute to meeting Coventry's unmet needs. The Local Plan expects an annualised delivery rate of 663 dwellings per annum. The Local Plan has 12 allocations across the Rugby Urban Area and Main Rural Settlements, including 2 allocations previously allocated under the 2011 Core Strategy.

### Housing Needs SPD 2012

2.10 The Council is updating all of its Supplementary Planning Documents (SPDs) to reflect the adoption of the Local Plan. This SPD replaces the Council's Housing Needs SPD 2012.

2.11 There are two significant changes between the Housing Needs SPD 2012 and this version.

Firstly, the Local Plan has abolished the general requirement for 'local needs surveys' introduced in the previous 2011 Core Strategy. Please note, however, that local housing needs surveys may be needed under certain circumstances such as demonstrating housing need for rural exception sites.

Secondly, key elements of the Housing Needs SPD 2012 relating to affordable housing negotiations have now been incorporated into the Local Plan. The purpose of this SPD is, therefore, to provide details not included in the Local Plan to assist the implementation of policy and provide additional guidance on specialist housing and self and custom housebuilding.

### Local Plan Policy Summaries

**2.12 Policy H1 (informing housing mix)** guides the housing mix for market housing proposals and is informed by the Strategic Housing Market Assessment (SHMA). Policy H1 outlines the circumstances whereby the Council will consider an alternative mix. Sustainable Urban Extensions will be expected to provide opportunities for self-build and custom build as part of the mix and type of development.

**Policy H2 (affordable housing provision)** provides details on the mix and type of homes expected for affordable housing delivery, including on different types of sites. Policy H2 outlines viability evidence that would be required to attempt to justify reduced levels of affordable housing. The policy requires appropriate integration of affordable and market housing to create mixed communities.

**Policy H3 (housing for rural businesses)** outlines criteria for identifying need for agricultural workers' dwellings, appropriate sizes for proposed dwellings and conditions attached to any planning approval.

**Policy H4 (rural exception sites)** defines the circumstances surrounding need, location and management where planning applications for rural exception sites may be considered.

**Policy H5 (replacement dwellings)** will not be considered by this SPD as this is considered a matter relating to Development Management practice.

**Policy H6 (specialist housing)** provides detail on the definitions, appropriate location and delivery of specialist housing, including affordable housing provision.



## Chapter 3. Mechanisms for affordable housing delivery

### Phasing the delivery of affordable homes

3.1 Local Plan Para 5.21 states: "...The methodology of the SHMA will be repeated at regular intervals in order to test the continuing appropriateness of Policy H2 and the Housing Needs SPD. Where variance of the detail included within that SPD is found to be necessary, an updated Housing Needs SPD will be produced in order to ensure that the Council's approach to delivering affordable housing remains appropriate throughout the plan period."

3.2 Section 106 agreements or conditions may include reference to the delivery of affordable housing in phases to ensure mixed, socially cohesive communities from the start of a larger development. The layout of such schemes should enable this phasing so that affordable and market dwellings can be delivered at the same time. For example:

- No more than 50% of open market dwellings should be occupied prior to completion of 50% of the affordable homes
- No more than 75% of open market dwellings should be occupied prior to completion of 100% of the affordable homes

3.3 It is recommended that developers engage with Registered Providers to secure agreement on the delivery of suitable infrastructure provision prior to the occupation of dwellings.

3.4 The financial viability of development proposals may change over time due to the prevailing economic climate, including changing property values and construction costs. In all cases, where a scheme fails to provide policy compliant affordable housing, a financial viability assessment is required to justify the lower provision. Any viability reviews required in larger schemes are to be defined from the outset in the Section 106 agreement or dealt with by subsequent deeds of variation.

3.5 Where a development comes forward that does not provide policy compliant affordable housing, viability reviews will be required during the course of the development to ensure that any uplift in the viability of a scheme is shared by the Council. The viability review requirements will be set out in the S106 agreement associated with the development. Viability reviews could include:

- Early stage reviews where there is a time delay of 18 months or more from planning permission being granted and development being commenced.
- Phased reviews for larger developments which are brought forward over a long period of time.
- Late stage reviews, where the development has predominantly been built out.

### Rounding up affordable housing provision

3.6 Affordable housing provision can result in a fraction of a unit remaining. In respect of that fraction of a unit, the Council will round the affordable housing provision up to the provision of the next whole unit. Alternatively, the Council could seek an off-site contribution in relation to that fraction of a unit. Where sought, this would be

calculated as a percentage. As an example, 0.6 of a unit would be eligible to pay 60% of the off-site contribution for a single unit.

### Calculating off-site affordable housing contributions

3.7 Policy H2 identifies that: “Affordable housing should be provided on-site unless off-site provision or an appropriate financial contribution in lieu can be robustly justified, and the agreed approach contributes to the objective of creating mixed and balanced communities.”

3.8 The Local Plan defines the formula for calculating off site provision. To determine the inputs into this calculation, the following guidance is offered:

- **Total number of affordable dwellings** - Calculated with reference to the requirements of Policy H2.
- **Build cost of the required dwellings** - Build costs will be determined in line with the contents of the Rugby Borough Council Local Plan Viability Assessment or evidence provided on updated costs. The build costs include proposed dwellings and the wider site e.g. landscaping costs.
- **Land cost** - The amount an applicant would have to pay a landowner/developer to develop their affordable dwellings on another site i.e. off site. This will be based on the most up-to-date market information.
- **The amount equivalent to that which would be payable by a registered provider** - This information can be sought directly through discussions with registered providers. Where this is not possible, an estimated cost based on available evidence may be provided.

## Chapter 4. Design

### Purpose

4.1 The purpose of this chapter is give detail on best practice in the design of affordable housing. This is to help improve design standards.

### National Policy

4.2 NPPF Chapter 12 - Achieving well-designed places - concerns design. Paragraph 124 states that:

“The creation of high-quality buildings and places is fundamental to what the planning and development process should achieve. Good design is a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities. Being clear about design expectations, and how these will be tested, is essential for achieving this...”.

4.3 National design guidance provided by ‘Building for Life 12’, as referenced in the NPPF, has been replaced by ‘Building for a Healthy Life 12 (B4L12)’. It is advised that applicants use this guidance to help inform scheme layout and design.

### Rugby Borough Local Plan Policy H2

4.4 Local Plan Policy H2 states:

“Development should provide for the appropriate integration of affordable and market housing in order to achieve an inclusive and mixed community. Affordable housing should be provided on-site unless off-site provision or an appropriate financial contribution in lieu can be robustly justified, and the agreed approach contributes to the objective of creating mixed and balanced communities.”

4.5 Policy H2 should be read alongside Local Plan design Policy SDC1.

4.6 Consultation with Registered Providers (RP’s) on their design requirements is recommended at the earliest possible opportunity to avoid any future delays in RP’s taking ownership of affordable homes. It is recommended that affordable properties be designed to reduce ongoing maintenance requirements. Measures to consider may include keeping communal areas to a minimum and using low maintenance landscaping.

4.7 The Council offers a pre-application advice service, of which a fee is payable for major schemes. This will help inform discussions on matters such as appropriate positioning of parking, bin storage and landscaping for affordable homes:

[https://www.rugby.gov.uk/info/20084/planning\\_control/451/pre-application\\_planning\\_advice](https://www.rugby.gov.uk/info/20084/planning_control/451/pre-application_planning_advice)

4.8 Advice on principles and standards to reduce crime and anti-social behaviour is available online from Secured by Design: [www.securedbydesign.com](http://www.securedbydesign.com)

## Integrating affordable and market housing

4.9 Residents' of affordable homes should not be disadvantaged by poor design. Poorly designed dwellings that are too small risk overcrowding, which could be damaging to residents' health and quality of life. Inclusive, mixed communities can be achieved by following principles of 'tenure blind' development:

### Clustering

4.10 Building for a Healthy Life 12 (B4L12) recommends providing "Affordable homes that are distributed across a development."

4.11 Affordable housing should not be clustered together within one location within a site, unless the site is only looking to provide affordable housing. Affordable housing should be appropriately distributed throughout a site. Access arrangements should be shared between affordable and market homes. Affordable homes should not have segregated entrances.

4.12 Affordable homes should not be grouped together in disproportionate numbers. This is informed by a development's size, densities and site constraints/opportunities. A typical example may be that a site may would not be expected to have affordable homes in groups of more than 5-10 dwellings together. This example is for illustrative purposes only and is not a specific requirement. The exception to this principle would be when a site comes forward providing only affordable homes. Engaging development management officers through the pre-application process will inform the layout for individual sites. Engagement with housing officers who deal with affordable housing schemes to inform the design process is also recommended.

### Scale

4.13 Building for a Healthy Life 12 (B4L12) recommends:

- Designing homes and streets where it is difficult to determine the tenure of properties through architectural, landscape or other differences.
- Access to some outdoor space suitable for drying clothes for apartments and maisonettes. Consider providing apartments and maisonettes with some private outdoor amenity space such as semi-private garden spaces for ground floor homes; balconies and terraces for homes above ground floor.

4.14 Individual block sizes will be determined by a development's site characteristics and the prevailing design character. Affordable homes that are at a significantly higher density than the equivalent market housing is unlikely to be acceptable. Equally, affordable housing that is significantly smaller than the equivalent market housing would be considered to be out of scale with a wider development.

4.15 Private amenity space for affordable housing should provide reasonable outdoor space in proportion with comparable market dwellings on site. Access arrangements should be shared between affordable and market homes. Affordable

homes should not have segregated entrances. Engagement with development management officers can assist in guiding appropriate amenity space size.

### **Materials**

4.16 The bricks, tiles and windows/doors between affordable and market housing should be indistinguishable.

### **Landscape**

4.17 Landscaping for affordable dwellings should be appropriate for the context of a site. Both hard and soft landscaping should be broadly consistent between market and affordable housing so there is no distinguishable difference in appearance. Communal areas should be designed to the highest standard.

4.18 Maintenance considerations of communal space fall outside of the scope of planning, although discussion with the Strategic Housing Team and Registered Providers on maintenance requirements is advised to achieve the best scheme possible.

### **Gypsy and Traveller Sites**

4.19 Policy DS2 identifies criteria for achieving high quality design in Gypsy and Traveller sites. The Council will provide further details on this criteria and if required allocate land to meet need in a separate Gypsy and Traveller Site Allocations DPD. This is to meet the requirements for gypsy, travellers and travelling showpeople's accommodation as identified by the Gypsy and Traveller Accommodation Assessment (GTAA) 2017.

### **Further Design Guidance**

4.20 Design guidance evolves over time. It is the Council's expectation that all development in Rugby Borough is of the highest quality. The Council would expect development proposals to be in broad conformity with national best practice as, even where the Council has not adopted a particular standard, there is no justification for developments' proposals that fall below national best practice in Rugby Borough.

4.21 Below is the current list of design guidance at the time of writing. Please note that this is not exhaustive and will be subject to change over time.

### **National Design Guidance**

4.22 National Design Guidance was published in October 2019. The guidance states that:

“The National Planning Policy Framework makes clear that creating high quality buildings and places is fundamental to what the planning and development process should achieve. This design guide, the National Design Guide, illustrates how well-designed places that are beautiful, enduring and successful can be achieved in practice. It forms part of the Government's collection of planning practice guidance and should be read alongside the separate planning practice guidance on design process and tools.”

4.23 The guide is available to view below:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/843468/National\\_Design\\_Guide.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/843468/National_Design_Guide.pdf)

4.24 Please note these guidelines may be subject to change over time. The Council expects planning applications to adhere to any national statutory design guidance and would advise that proposed developments meet or exceed non-statutory design guidance.

### National Space Standards

4.25 Poorly designed dwellings that are too small risk overcrowding, which could be damaging to occupants' health and quality of life. The Council has not adopted National Space Standards. To adopt the standards in the future, the Council would need to develop the appropriate supporting evidence base, including Local Plan viability testing. The size of recently completed dwellings would need to be assessed to determine how many completed dwellings fall below the standards.

4.26 Even without adopted space standards, small room sizes may be considered to constitute poor quality design by development management officers under Policy SDC1. Developers should note that registered providers and organisations such as Homes England may have requirements for new affordable homes to meet National Space Standards. It is advisable for developers to engage with RPs and the Council's Strategic Housing Team prior to submitting a planning application to discuss this.

### Climate change

4.27 The Council declared a climate change emergency on 18<sup>th</sup> July 2019. A cross party working group has been established a series of recommendations to make the Council's activities carbon neutral by 2030. Affordable housing is expected to include measures to create sustainable, carbon neutral dwellings and be in conformity with Local Plan policies concerning climate change, as detailed below:

#### **Policy SDC4:**

All new dwellings shall meet the Building Regulations requirement of 110 litres of water/person/day unless it can be demonstrated that it is financially unviable. In meeting the carbon reduction targets set out in the Building Regulations and BREEAM standards the Council will expect development to be designed in accordance with the following energy hierarchy:

- Reduce energy demand through energy efficiency measures; then
- Supply energy through efficient means (i.e. low carbon technologies); then
- Utilise renewable energy generation

#### **Policy SDC6:**

Sustainable Drainage Systems (SuDS) are required in all major developments and all development in flood zones 2 and 3.

## Chapter 5: Rural Housing

5.1 Policy GP2 of the Local Plan relates to the sustainable hierarchy of settlements within the borough where the urban area of Rugby is at the top of the hierarchy, and therefore the most sustainable, compared with the bottom of the hierarchy which comprises of the countryside and Green Belt. Through this policy dwellings are encouraged to be located within the most sustainable locations. Main Rural Settlements are at the second highest level of the settlement hierarchy, followed by Rural Villages which are comparatively less sustainable. The primary focus of this chapter will be supporting the implementation of rural exception sites as this route would be expected to provide the majority of additional rural affordable housing.

### Defining Rural Exception Sites

5.2 A Rural Exception Site provides small scale affordable housing on sites outside of a defined settlement boundary. Rural exception sites are not a mechanism to promote sites for market housing which would not otherwise be developed. A Rural Exception Site is subject to strict criteria about how it can come forward and how it can be managed. Parish Council and community support is important for a Rural Exception Site to come forward.

5.3 A clause in the Section 106 agreement will be sought to seek to retain the affordable housing in perpetuity and any requirements for owners and/or occupiers to have a local connection to the community. Exceptions to this requirement may include where a proposed dwelling is being offered on a shared ownership basis, subject to any other statutory or policy considerations

5.4 Local connection is to be established by any criteria adopted by the Council in its housing policies or local lettings plan.

### NPPF

5.5 NPPF Paragraph 77 states:

“In rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs. Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs, and consider whether allowing some market housing on these sites would help to facilitate this.”

### Policy H4

5.6 The development of affordable housing that meets the needs of local people will be permitted as a Rural Exception Site adjacent to defined rural settlement boundaries, where development is normally resisted, if all of the following criteria are met:

- It is clearly demonstrated that there is a local need for affordable housing which outweighs other policy considerations;

- It is demonstrated no suitable alternative sites exist within the defined settlement boundary; and
- Developments do not have an adverse impact on the character and/or appearance of settlements, their setting or the surrounding countryside.

5.7 In all cases arrangements for the management and occupation of dwellings must be made to ensure that all dwellings provided will, and will remain available for, occupancy by eligible local people at an affordable cost and at a range of tenures, both initially and in perpetuity. The Council will advise applicants as to the nomination rights it requires.

5.8 In some circumstances a small proportion of open market housing may be allowed where it can be shown that the scheme will deliver significant affordable housing and viability is a key constraint.

### Local Need

5.9 The starting point for a Rural Exception Site is understanding local need. Where evidence of potential unmet needs emerges from the Neighbourhood Plan process, the Parish Council should engage the Councils Communities and Homes Team who have the latest information on the number of local people on the housing waiting list. If the Communities and Homes Team confirms potential need, the Parish may choose to commission a Local Housing Needs Survey. This will identify the number, tenure and type of affordable housing required. A Registered Provider can also commission a Local Housing Needs Survey.

5.10 It is expected that such surveys should be undertaken every 5 years to remain up to date. A Local Housing Needs questionnaire should be issued to each household in the Parish for completion and return. The analysis of the needs survey should be carried out in confidence by an independent organisation.

5.11 If a need is identified, the Parish Council's role is to take responsibility for exploring options to meet that need. The Parish Council should engage with landowners to identify potential development sites. The Parish Council, together with other key stakeholders such as the Council and local Housing Associations should organise public engagement on the assessment and selection of sites.

### Alternative Sites

5.12 Rural exception sites relate to sites which are not allocated in the Local Plan and would not normally gain planning permission. The site selection process for a rural exception site must be clear, use robust methodology and be thorough.

5.13 All reasonable alternative sites within the settlement boundary will have had to have been considered. If this cannot be robustly proven, then a rural exception site application may fail. A site selection using a comparably robust methodology to the Local Plan Strategic Housing Land Availability Assessment (SHLAA) would be expected. The SHLAA can be viewed below:

[https://www.rugby.gov.uk/downloads/download/30/strategic\\_housing\\_land\\_availability\\_assessment](https://www.rugby.gov.uk/downloads/download/30/strategic_housing_land_availability_assessment)



### **Spatial relationship to existing settlements**

5.14 A rural exception site should be compliant with all the policies in the Local Plan. The potential landscape impact of proposals is of critical importance given that Rural Exception Sites would be located on the edge of a settlement.

5.15 Policy NE3 seeks to ensure that significant landscape features are protected and enhanced and that landscape design is a key component in the design of new development. Planning applications will be required to submit a landscape analysis and management plan in appropriate cases.

### **Delivery and Management**

5.16 Rural Exception Sites may be owned and managed by a (RP). Any Planning Application submitted should be in partnership with the RP.

5.17 Where alternative responsible bodies such as a Community Land Trust (CLT) are proposed, details of management arrangements and contingencies should be provided to ensure that the housing remains affordable in perpetuity. This should be similar to where the site is being brought forward by an RP.

5.18 The mechanism for allocating the dwellings will be specified in the S106 agreement. This will prioritise housing applicants with a local connection in the first instance and will be agreed between the Local Authority and the Parish Council. The S106 agreement or conditions attached to any planning permission granted, will stipulate that the housing units remain affordable in perpetuity.

### **Cross-subsidy**

5.19 The inclusion of market dwellings would not be supported unless it can be proven that an element of market housing is needed to make delivering affordable housing financially viable. Cross-subsidy can only be used to support the delivery of affordable housing, not allow sites which otherwise would not be developed to come forward. A detailed and transparent viability assessment would be required to be submitted in support of any such planning application. For mixed applications, affordable housing units should comprise the vast majority of units to be considered to be a rural exception site.

5.20 If a cross-subsidy scheme is proposed, robust evidence to justify that scheme is required. This should demonstrate that a number of alternative site options were considered which omitted cross-subsidy options. The reasons why these could not be pursued should be demonstrated. If the evidence cannot justify the need for cross-subsidy, it cannot come forward. The need for the market housing in terms of number and type should be carefully evidenced through the Local Needs Survey. Any evidence provided may be subject to independent assessment (e.g. by the District Valuer Service or equivalent).

### **Self-build and Custom Housebuilding on Rural Exception Sites**

5.21 Where the need for cross-subsidy can be demonstrated, the potential to bring forward Self-build and custom housebuilding plots should be considered. There will

still be a need to establish that a household has a local connection to the Parish where the plot is proposed.

5.22 Discounted Self-build and custom housebuilding plots for shared ownership properties may be able to come forward on Rural Exception Sites. Once completed, restrictions would ensure the homes remain affordable in perpetuity. Local connection and affordability criteria would apply.

### Entry Level Sites

5.23 NPPF Paragraph 71 states:

“Local planning authorities should support the development of entry-level exception sites, suitable for first time buyers (or those looking to rent their first home), unless the need for such homes is already being met within the authority’s area. These sites should be on land which is not already allocated for housing and should:

a) comprise entry-level homes that offer one or more types of affordable housing as defined in Annex 2 of this Framework; and

b) be adjacent to existing settlements, proportionate in size to them, not compromise the protection given to areas or assets of particular importance in this Framework, and comply with any local design policies and standards.”

## Chapter 6: Specialist Housing

### Defining specialist housing

6.1 Specialist housing is purpose-built housing catering to the needs of a group with specific housing needs, such as older people and people with disabilities. Housing requirements for older people may share similar characteristics as housing for people with disabilities. The same guidance may also be applicable to groups with a range of other needs, such as younger people.

### National Policy

6.2 Chapter 5 of the NPPF, 'delivering a sufficient supply of homes' outlines the Government objective of boosting the supply of homes, this includes ensuring the needs of groups with specific housing requirements are addressed. Other relevant references are:

**NPPF Paragraph 59:** "To support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay."

**NPPF Paragraph 61:** "...the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes)."

**NPPF Paragraph 64:** "Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development: a) provides solely for Build to Rent homes; b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students); c) is proposed to be developed by people who wish to build or commission their own homes; or d) is exclusively for affordable housing, an entry-level exception site or a rural exception site."

6.3 With respect to older people and people with disabilities, these groups are defined in the NPPF in the following way:

**Older People:** "People over or approaching retirement age, including the active, newly retired through to the very frail elderly; and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of retirement and specialised housing for those with support or care needs".

**People with disabilities:** “People have a disability if they have a physical or mental impairment, and that impairment has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities.”

## Local Policy

6.4 The following policy relates to specialist housing: Policy H6: Specialist Housing

“The Council will encourage the provision of housing to maximise the independence and choice of older people and those members of the community with specific housing needs.

When assessing the suitability of sites and/or proposals for the development of specialist housing such as, but not restricted to, residential care homes, extra care housing and continuing care retirement communities, the Council will have regard to the following:

- The need for the accommodation proposed, whereby the development contributes towards specialist housing need as identified within the Strategic Housing Market Assessment (SHMA); and
- The ability of future residents to access essential services, including public transport, shops and appropriate health care facilities.”

Specialist Housing is to be delivered through the development strategy and windfall sites.”

## Types of Specialist Housing

6.5 The Planning Practice Guidance identifies the different types of specialist housing for older people:

**Age-restricted general market housing:** This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens, but does not include support or care services.

**Retirement living or sheltered housing:** This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services, but provides some support to enable residents to live independently. This can include 24 hour on-site assistance (alarm) and a warden or house manager.

**Extra care housing or housing-with-care:** This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

**Residential care homes and nursing homes:** These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living.

They do not usually include support services for independent living. This type of housing can also include dementia care homes.

### **Strategic Housing Market Assessment (SHMA)**

6.6 The SHMA states: “The data shows that the HMA is expected to see a substantial increase in the older person population with the total number of people aged 55 and over expected to increase by 35% over just 20 years. A particularly high increase is expected in Rugby with a lower figure being seen in Coventry. For Coventry, this is mainly linked to the younger population age profile in the City and the fact that migration patterns tend to focus on younger people. In the case of Rugby the findings are, to some degree, related to the higher overall population growth projected for the area. For all areas we are also expected to see significant population growth in the oldest age groups with the population aged 85 and over expected to increase by 111% over the next 20-years.” (SHMA, 2014, P.163).

6.7 It goes on to say: “Given the ageing population and higher levels of disability and health problems amongst older people there is likely to be an increased requirement for specialist housing options moving forward. Such housing can broadly be split into three categories; sheltered, extra-care and residential care. Over the past few years there has been a move away from providing sheltered and residential care housing towards extra-care housing (ECH) and we would consider that the majority of additional specialist housing moving forward is likely to be of ECH.” (SHMA, p168)

### **Location**

6.8 Accessibility is a key issue when considering schemes for specialised housing. Residents of specialised housing are more likely to have health problems that limit their mobility. Access to public transport should be considered in terms of both proximity and accessibility.

6.9 Town Centres and other accessible areas with good public transport may provide good locations for specialist housing to help avoid social isolation and maintain contact with family and friends.

### **Specialist Housing and Affordable housing**

6.10 Reading the Local Plan as a whole, and in particular policies H2 (Affordable housing provision) and Policy H6 (Specialist housing) specialist housing developments can be required to provide affordable housing.

6.11 Policy H2 states that “Affordable housing should be provided on all sites of at least 0.36 hectares in size or capable of accommodating 11 (net) dwelling units or more (including conversions and subdivisions).

6.12 It is recognised that residential care/nursing homes aren’t usually considered to be dwellings. However, other types of specialist housing may contain units that are sufficiently self-contained as to be considered dwellings. Planning officers will determine whether the residential units being provided are capable of being considered as dwellings on a case by case basis.

6.13 Where a proposed development would be considered to contribute to the housing target contained within the Local Plan through the provision of dwellings then that development would be expected to comply with affordable housing policies.

6.14 Where compliance with affordable housing policies is required, it may be appropriate for this to be secured by way of an affordable housing contribution, owing to the challenges in enabling a RP to operate affordable housing within such a wider specialist housing scheme. Consultation with the Strategic Housing team is recommended to understand demand and RP requirements.

6.15 Specialist Housing is to be maintained as such in perpetuity through the use of planning conditions or S106 agreements.

### Design considerations for specialist housing

6.16 RTPi Practice Advice includes key principles planners should consider when assessing proposals for specialist housing for residents who may have dementia. This guidance contains general principles which help inform good design for other groups with specialist housing needs.

<https://www.rtpi.org.uk/media/6374/dementiatownplanningpracticeadvice2020.pdf>

### Urban Design

6.17 Good urban design is essential for improving the ability of people living with dementia to live well:

- Familiar environment - functions of places and buildings are obvious, any changes are small scale and incremental;
- Legible environment - a hierarchy of street types, which are short and fairly narrow. Clear signs at decision points;
- Distinctive environment - a variety of landmarks, with architectural features in a variety of styles and materials. There is a variety of practical features, e.g. trees and street furniture;
- Accessible environment - land uses are mixed with shops and services within a 5-10 minute walk from housing. Entrances to places are obvious and easy to use and conform to disabled access regulations;
- Comfortable environment - open space is well defined with toilets, seating, shelter and good lighting. Background and traffic noise should be minimised through planting and fencing. Street clutter is minimal to not impede walking or distract attention;
- Safe environment - footpaths are wide, flat and non-slip, development is orientated to avoid creating dark shadows or bright glare.

## Housing Design

6.18 Whilst the internal layout of buildings is usually beyond the scope of the role of planners, it is still valuable to be aware of the key principles of good design, which include:

- Safe environment – avoid trip hazards, provide handrails and good lighting;
- Visual clues – clear signage, sightlines and routes around the building; clearly defined rooms – so the activities that take place there can be easily understood;
  - Interior design – avoid reflective surfaces and confusing patterns. Use age and culturally appropriate designs;
- Noise – reduce noise through location of activities and soundproofing. Provide quiet areas as people with dementia can be hyper-sensitive to noise;
- Natural light or stronger artificial light – many people with dementia have visual impairment or problems interpreting what they see;
- Outside space – access to safe outside space, with good views from inside the building as daily exposure to daylight improves health.

## Other Guidance

6.19 Building regulations are not a material consideration in a planning application. It is however advised to be aware of the below building regulations relevant to specialist housing:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/540330/BR\\_PDF\\_AD\\_M1\\_2015\\_with\\_2016\\_amendments\\_V3.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/540330/BR_PDF_AD_M1_2015_with_2016_amendments_V3.pdf)

## Chapter 7: Self-build and custom housebuilding

7.1 The purpose of this guidance is to help support planning decisions for self-build and custom housebuilding proposals. The Council recognises the challenge in finding land suitable for self-build and custom housebuilding and will work with interested parties to help overcome this challenge.

### National Policy

7.2 The primary legislation concerning self-build and custom housebuilding is the Self-Build and Custom housebuilding Act 2015, available to view below:

<http://www.legislation.gov.uk/ukpga/2015/17/contents/enacted>

### Defining self-build and custom housebuilding

7.3 Section 1 of the Self-build and Custom Housebuilding Act 2015 defines Self-Build and Custom Housebuilding as:

“the building or completion by individuals, association of individuals, or persons working with or for individuals or associations of individuals, of houses to be occupied as homes by those individuals. But it does not include the building of a house on a plot acquired from a person who builds the house wholly or mainly to plans or specifications decided or offered by that person.”

7.4 Self-build involves direct involvement in organising and constructing a home. Custom build involves the commissioning of a specialist developer to deliver a home. Homes bought without the owner providing input into the design and layout are not considered to meet the definition of self-build or custom build.

### Types of Self Build and Custom Housebuilding

7.5 Individual self or custom build: An individual who buys a plot of land to develop and leads on building a home, although may employ the assistance of builders, architects etc.

7.6 Group self or custom build: A group of individuals design and develop a scheme they live in. Again, they may employ the assistance of builders, architects etc.

7.7 Developer-led custom build: A developer who provides plots to individuals within a larger scheme. The individual has significant input into the design and finish of the home in terms of internal layout and dimensions, window design and external materials.

7.8 Community-led custom build: Community led development, usually in collaboration with a developer.



## Self-Build and Custom Housebuilding Register

7.9 The Self-build and Custom Housebuilding Act 2015 requires the Council to keep and maintain a register of individuals, and associations of individuals, who are seeking to acquire self-build serviced plots of land in the Borough for their own self build and custom housebuilding.

7.10 The register provides information on the number of individuals and associations on the register; the number of serviced plots of land sought; the preferences people on the register have indicated, such as general location within the Borough, plot sizes and type of housing intended to be built.

7.11 Details of the data held on the self-build and custom housebuilding register can be found within the Self-Build and Custom Housebuilding Report below:

<https://www.rugby.gov.uk/downloads/download/390/self-build-and-custom-housebuilding-report-2019>

7.12 Self-build and custom housebuilding projects are led by individuals and community associations. The Council's role is to provide enough suitable permissions. A 'suitable permission' is where planning approvals are granted for dwellings that could become self-build plots, should interested parties engage with landowners. For example, this may apply to approvals ranging from individual dwellings to up to 10 dwellings.

## Serviced plot

7.13 The definition of a serviced plot of land as set out in the Self-build and Custom Housebuilding Act 2015 means a plot of land that:

- (a) has access to a public highway and has connections for electricity, water and waste water, or
- (b) can be provided with those things in specified circumstances or within a specified period.

Developers are advised to work with the Borough Council and County Council on developing serviced plots.

## Delivering self-build and custom housebuilding

### Local Plan

7.14 The Council's approach to delivering self-build and custom housebuilding is identified in the Local Plan. Self-build and custom housebuilding proposals should be compliant with all the policies in the Local Plan.

## Policy H1:

7.15 This policy states: “Sustainable Urban Extensions will be expected to provide opportunities for self-build and custom build as part of the mix and type of development.”

7.16 A threshold approach to delivering self-build and custom housebuilding was rejected by the Planning Inspector examining the Local Plan due to insufficient evidence of demand.

7.17 The Councils approach to delivering self-build and custom housebuilding is as follows:

- Granting suitable permissions for potential self-build and custom housebuilding plots
- Supporting self-build and custom build housebuilding on strategic allocations
- Assessing potentially suitable Council owned land
- Supporting community groups to deliver self-build and custom housebuilding
- Supporting the inclusion of self-build and custom housebuilding policies in Neighbourhood Plans
- Where development sites have not been progressed, the Council will liaise with landowners and community groups to consider self-build and custom housebuilding for such sites
- The Councils SHLAA provides a list of sites which have previously been submitted for those interested in Self-build and custom housebuilding to review

7.18 Demand is measured through the Self-build and custom housebuilding register. Since 2016, demand for self-build and custom housebuilding has been met through the granting of suitable permissions or windfall sites. Should demand in the urban area rise above levels of supply, developers would enter into discussions with the Council on how to meet this demand. This would involve identifying potential suitable plots, defining phasing plans and separate access works to the non-self-build housing elements of Sustainable Urban Extensions (SUEs). Self-build and custom housebuilding plots within SUEs should be concentrated together to safeguard the coherence of a development. The housing mix should conform with the SHMA.

7.19 Planning conditions would stipulate that a marketing strategy would be required. Self-build and custom housebuilding plots will be expected to be marketed for a minimum period of 12 months. Once plots have been marketed for the minimum period, they may then remain on the market as self-build and custom housebuilding plots, be offered for purchase to RPs, or be built out by the landowner as appropriate.

7.20 A developer and the Council may work together to develop a design code for larger schemes. This would provide certainty by establishing what form any development could take. This can be supplemented by ‘plot passports’, which concisely identify site parameters for prospective plot purchasers.

7.21 The Council's Development Strategy Team has engaged with the Council's Corporate Property Team as to the availability of suitable Council owned land. No suitable sites have been identified so far. Engagement will continue as land availability is not static, so an annual review will take place to identify any suitable sites that may become available.

### Individuals and community associations

7.22 The Council will work with and support individuals and community groups to bring forward self-build and custom housebuilding plots. There are a number of online guides to assist with individuals who want to come together to form a community group.

7.23 A starting point for community groups is to decide their preferred method for advancing self-build and custom housebuilding. The list below provides some examples of delivery options to 'signpost' community groups. Engagement with the Council's pre-application advice service is recommended from the outset:

- Neighbourhood Plans can facilitate self-build and custom housebuilding through creating new policies and allocating suitable sites
- Community groups could consider forming a Co-housing group or Community Land Trust
- Community group could contact developers who specialise in self-build and custom housebuilding
- Community groups could look to form a partnership with a Housing Association
- Neighbourhood Development Orders can be used to allocate sites for self-Build and Custom Housebuilding:  
<https://www.gov.uk/guidance/neighbourhood-planning--2#What-is-Neighbourhood-Development-Order>
- Community Right to Build Orders:  
[https://www.planningportal.co.uk/info/200130/common\\_projects/42/neighbourhood\\_planning/2](https://www.planningportal.co.uk/info/200130/common_projects/42/neighbourhood_planning/2)

## Finance

7.24 Securing finance is a key factor for delivering Self-build and custom housebuilding. Specialist advice on securing finance and the most appropriate route for your project is recommended.

There are three main routes to securing finance:

### a) Self-build mortgages

A range of self-build mortgages are available. A self-build mortgage differs from a standard mortgage as the funds are normally released in phases as the project progresses.

### b) Selling a property to raise funds

Another option is to sell existing your home to raise funds and rent a property until the project is finished. The additional costs and risks of project delays with this method require very careful consideration.

### c) Government funding:

Government support for Self-build and custom housebuilding is available from time to time. These schemes are subject to change so please check the governments website for the latest information:

<https://www.gov.uk/guidance/self-build-and-custom-housebuilding>

## Self Build and Custom Housebuilding and affordable housing

7.25 Self-build and custom housebuilding units are unlikely to be eligible for affordable housing owing to the relative small scale of such developments. Plot providers should, however, seek to provide a mix of serviced plot sizes to meet the range of demand and affordability. This may include plots suitable for specialist housing such as bungalows for people with mobility issues, smaller plots etc.

7.26 There are four main potential mechanisms for delivering affordable housing through Self-build and custom housebuilding:

- Landowners working in partnership with a local community group, Community Land Trust or similar
- Developments where more than 11 self-build and custom housebuilding units are proposed for a single site
- Self-build and custom housebuilding proposed as part of wider developments of 11 or more units
- Self-build and custom housebuilding proposed for a rural exception site. Where affordable self-build plots are to be delivered on rural exception sites, there will

also be a need to establish that a household has a local connection to the Parish where the plot is proposed.

7.27 The Council will continue to engage with stakeholders to meet demand for self-build and custom housebuilding.