

## Bath & North East Somerset Council

MEETING:	Planning, Transport & Environment Policy Development and Scrutiny Panel
MEETING DATE:	23 <sup>rd</sup> August 2012
TITLE:	<b>Bath &amp; North East Somerset Core Strategy: Inspector's Preliminary Conclusions and review of the Local Development Scheme</b>
WARD:	ALL
<b>AN OPEN PUBLIC ITEM</b>	
<b>List of attachments to this report:</b>  Appendix 1 – Changes required to the Local Development Scheme  Appendix 2 – Summary of proposed revised Local Development Scheme	

### 1 THE ISSUE

- 1.1 The B&NES Core Strategy examination has been suspended in order to undertake a review of the District's housing need and supply, along with a limited number of other issues, in response to concerns made by the Examination Inspector. This requires a review of the Core Strategy programme which, because of its strategic nature, has implications for the preparation of other Plans such as the Placemaking Plan, the Gypsy & Travellers Site Allocations Plan and the Community Infrastructure Levy. The Local Development Scheme is therefore also being reviewed.

### 2 RECOMMENDATION

- 2.1 The Planning, Transport & Environment Policy Development and Scrutiny Panel is asked to comment on the;
- 2.2 proposals for the further work on the Core Strategy (see paras 4.9 to 4.11), and
- 2.3 proposed revisions to the Local Development Scheme summarised in Appendix 2

### 3. FINANCIAL IMPLICATIONS

- 3.1 The work programme for the preparation of Local Development Framework Documents (LDF) is set out in the Local Development Scheme (LDS). The extra work required on the Core Strategy and the knock on implications for other Plans requires a review of the LDS which in turn requires a review of the LDF budget. The key issues is that there are insufficient staff resources and funds in the current LDF budget for 2012/13 to undertake the work programme as previously planned as well as the additional work on the Core Strategy. The options for responding to this issue and financial implications are set out in more detail in section 4 below.
- 3.2 A range of options are being considered to deal with the financial implications. These include deferring work to future years which could have an impact New Homes Bonus, increasing expenditure on the LDF by up to £100k or using resources elsewhere within council. The extra work will entail an unavoidable delay to the introduction of CIL but this will be small if the CIL work is aligned with the additional Core Strategy work.

### 4.0 THE REPORT

#### **Core Strategy Inspector's Preliminary conclusions**

- 4.1 The examination into the Bath & North East Somerset Council Core Strategy has been suspended in light of the Inspector's preliminary conclusions (document refs ID/28, ID/ 29 and BNES/39). This is to enable further work to be undertaken to address the concerns raised by the Inspector.
- 4.2 The Inspector's most substantive issue of concern relates to the housing requirement for the district. The Inspector is of the view that the publication of the National Planning Policy Framework (NPPF) during the course of the hearings rendered the B&NES methodology for assessing housing target non-compliant with national policy. He therefore states that he could not come to a conclusion on the level of housing that should be planned for. The Inspector 's concerns "suggest that the plan should be amended to facilitate more housing than currently planned and/or to enable some of the planned housing to be delivered sooner."

#### **Withdrawal vs. suspension**

- 4.3 The reason why suspension is favoured over withdrawal is because the Government has urged Local Authorities to ensure that an up-to-date Plan is in place as quickly as possible (NPPF para 184). The delay to the Core Strategy has significant implications for the Council. It will delay the preparation of CIL potentially affecting CIL income from April 2014 and it will delay the adoption of other Plans currently under preparation. It may have an impact on housing delivery because of the delay in providing clarity and direction for key development sites. In addition, the delay lengthens the uncertainty for residents, developers and all those with an interest in the development process. A suspension would entail less of a delay than a complete withdrawal.
- 4.4 Furthermore, a withdrawal will mean the removal of the entire emerging policy framework in the Core Strategy requiring the Council to fall back on less up-to-date Local Plan policies and the NPPF. Even those emerging Core Strategy policies which are potentially sound would be lost.

### **Further work required on the Core Strategy**

- 4.5 The Inspector 's key issues in respect of housing land are the need for;
- a NPPF compliant assessment of the housing requirement,
  - inclusion of the shortfall from the B&NES Local Plan in the housing figure;
  - a 20% buffer to the 5 year housing land supply;
  - flexibility in the events of delay in bringing forward the complex, brownfield
  - further work on the sequential and exception flood risk tests
  - a 15 year plan period following adoption
  - greater consideration of affordable housing requirements
- 4.6 There are also a limited number of other policies on which the Inspector has raised concerns and he has stated that he will clarify these by the end of August. These issues will also need to be addressed during the suspension.

### **Implications for preparation of other LDF Plans**

- 4.7 The suspension of the Core Strategy has logistical implications for the preparation of other LDF documents, most significantly the Placemaking Plan, CIL and the Gypsy & Traveller Sites Plan. These documents can only be progressed in alignment with the Core Strategy and there are also resource implications of the extra work. Therefore the Council's programme for the preparation of planning documents in the Local Development Scheme (LDS) needs to be reviewed. Key issues and options are due to be considered by Cabinet on 12<sup>th</sup> September 2012.
- 4.8 Finalisation of the Core Strategy is the Council's first priority in the LDF. The Gypsy & Travellers Plan is discussed elsewhere on this agenda. Reasons for progressing the Placemaking Plan in good time include;
- One of the Core Strategy (CS) Inspector's concerns with the Core Strategy was the lack of convincing evidence on site availability, suitability and deliverability. Preparation of the PMP alongside the CS will provide the evidence that our development sites are deliverable & that we have a robust assessment of capacity
  - Preparation of the PMP now will reduce demands to do Neighbourhood Plans (& thereby costs on the Council) ie a number of local communities have stated that they would rather work through the PMP in identify development sites rather than as a separate neighbourhood Plan.
  - Related to the above, the Core Strategy Inspector endorsed our approach to development in rural areas which entails a review of HDBs & housing sites in villages. If progress is not made in the PMP, then it is likely to be done through predatory planning applications and appeal
  - Some Local Plan policies are becoming increasingly out-of date & the NPPF's presumption in favour of development is making it more difficult for the Council to determine applications in line with our own strategy
  - Preparation of the PMP is one of the only effective tools that the Council has to facilitate development delivery ie it provides clarity and a smoother path through the Planning system, thereby facilitating NHB and S.106 contributions/CIL
  - The PMP plays a key role in delivering the Council's regeneration objectives and enables high quality development and co-ordination of development with infrastructure provision

- Preparation of the PMP now enables co-ordination with the preparation of the Gypsy & Traveller Sites Plan and a further assessment of the opportunities for Traveller sites outside the Green Belt
- It enables co-ordination of public consultation in Spring 2013 of the Core Strategy, the PMP, CIL and Gypsy & Traveller Sites Plan facilitating a more co-ordinated strategy and financial savings
- SHLAA will need to be reviewed any case as part of the further work on the CS which will benefit enormously from being aligned with work on site allocations in the PMP
- NPPF envisages integration of broad strategy alongside site allocation ie re-introduction of old style Local Plans to provide a co-ordinated approach

### **Approach to Core Strategy Review**

4.9 It is essential that the further work required on the Core Strategy is undertaken both swiftly and in a way which meets the tests of soundness. A particular issue is the need to ensure that the requirements of the duty to co-operate are met. A number of other Core Strategies in the country have not been adoptable because they have fallen foul of this requirement.

4.10 A Brief for the further work on Core Strategy is therefore being prepared and is due to be considered by Cabinet on 12<sup>th</sup> September 2012. The brief will include;

#### *Re-assessment of the housing need*

- a review of the Strategic Housing Market Assessment using an NPPF compliant methodology. This should include analysis of demographic/household projections, natural population change, migration, and economic/employment needs;
- a review affordable housing needs;
- an assessment of under-provision in previous years
- the need to ensure a Five year land supply including a 20% buffer;
- a review the Plan period;
- a review of the Housing Market Area as it relates to B&NES

#### *Revision to the spatial Strategy*

- a process for considering options for reviewing and changing the spatial strategy to accommodate any increase need (if required). This will entail a transparent methodology to compare locational options as well as any other alternatives. It will include a methodology for reviewing the Green Belt if necessary;
- a review of SHLAA to ensure that the housing land supply is defensible at hearings and that there is Flexibility/headroom/contingency
- a review the approach to other housing supply eg windfalls, student accommodation, empty homes
- a review of the flood risk sequential test
- an update the Infrastructure Delivery Plan

## *Procedures*

- Ensure arrangements are in place to meet the duty to co-operate with neighbouring authorities and other statutory consultees;
- an outline of processes to ensure the plan's preparation accords with statutory requirements eg sustainability appraisal.

## **Timetable**

4.11 The timetable for the further work on the Core Strategy is set out below.

### *Revised Core Strategy timetable*

<b>STAGE</b>	<b>DATE</b>
<i>Review evidence (including SHMA)</i>	<i>Now to Jan 2012</i>
<i>Develop changes to the spatial strategy</i>	<i>Now to Jan 2013</i>
<i>Update &amp; clarify other matters in Annex to ID/28</i>	<i>Now to Dec 2012</i>
<i>Council agrees changes to Core Strategy</i>	<i>Feb-March 2013</i>
<i>Consult &amp; consider comments</i>	<i>April -May 2013</i>
<i>Resume exam &amp; hearings (Confirm with Inspectorate)</i>	<i>July 2013</i>
<i>Inspector's Report (Confirm date with Inspectorate)</i>	<i>Oct 2013</i>
<i>Adopt</i>	<i>Dec 2013</i>

## **4 RISK MANAGEMENT**

4.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

## **5.0 EQUALITIES**

5.1 An EqIA has been completed. No adverse or other significant issues were found.

## **6.0 CONSULTATION**

6.1 *Cabinet members; Overview & Scrutiny Panel; Section 151 Finance Officer; Chief Executive; Monitoring Officer*

6.2 No consultation is required on the revisions to the LDS. The revised consultation periods for the LDF documents will be set out in the revised Local Development Scheme.

## 7 ISSUES TO CONSIDER IN REACHING THE DECISION

*7.2 Social Inclusion; Customer Focus; Sustainability; Human Resources; Property; Young People; Corporate; Health & Safety; Other Legal Considerations*

## 8 ADVICE SOUGHT

8.2 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

<b>Contact person</b>	<i>David Trigwell (Divisional Director - Planning and Transport, Planning and Transport Development 01225 394125)</i>
<b>Background papers</b>	<i>Inspector's preliminary Conclusions (Ref ID/28)</i> <i>B&amp;NES Response to ID/28 (BNES/39)</i> <i>Inspector's agreement of suspension ( ID/29)</i> <i>National Planning Policy Framework March 2012</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	

## APPENDIX 1: OPTIONS FOR LOCAL DEVELOPMENT SCHEME REVIEW

Plan	Existing Programme	Implications of CS suspension	Cost implications 2012/13	Conclusion
Core Strategy (DPD)	<ul style="list-style-type: none"> <li>• Inspector's report March 2012</li> <li>• Adoption June 2012</li> </ul>	<p>The re-assessment of housing need and the review of the strategy will take around 6 months. The Council will then need to formally agree changes to the CS and then consult. The hearings are therefore likely to resume by July 2013.</p>	<p>The further work generated by the suspension will generate additional LDF costs which will need to be found through a review of the LDS priorities</p>	<p>Completion &amp; adoption of the CS is the first priority and this will be the focus of the LDF budget &amp; staff resources during 2012/13 and early 2013/14. This will have implications for other LDF plans, the programmes of which will need to be reviewed (Report due for Cabinet 12/9/12)</p>
G&T Plan (DPD)	<ul style="list-style-type: none"> <li>• Draft Plan due December 2012</li> <li>• Hearings June 2013</li> <li>• Inspector's report Sept 2013</li> <li>• Adoption Dec 2013</li> </ul>	<p>Review of Core Strategy necessitates a review of opportunities for sites outside the Green Belt</p> <p>Also need to review the needs assessment.</p> <p>The post consultation 'stock take' will entail a delay of around 6 months</p>	<p>Additional cost arising from stocktake includes a new needs assessment</p>	<p>See separate item on the PTE agenda which sets out the next steps for the G&amp;T Plan</p>
Place-making Plan (DPD)	<ul style="list-style-type: none"> <li>• Options consultation Jan 2013</li> <li>• Draft Pan Sept 2013</li> <li>• Submit Dec 2013</li> <li>• Hearings March 2014</li> <li>• Report June 2014</li> <li>• Adoption July 2014</li> </ul>	<p>Publication of options will need to be delayed by 3 months because it must wait for the review of the CS may lead to a review of locational options. In addition, the Inspector's concerns about the need for flexibility in site delivery will require a review of the SHLAA. However there are savings in</p>	<p>There is insufficient staff &amp; financial resources in LDF budget to undertake all 3 DPDs.</p>	<p>Options for progressing the PMP will be considered by Cabinet 12/9/12</p>

		undertaking a combined consultation		
MoD Concept Statements	<ul style="list-style-type: none"> <li>• Due for endorsement Sept 2012</li> </ul>	None (other than to be absorbed into the Placemaking Plan)	None	No change - Endorse as planned in Sept 2012
CIL	<ul style="list-style-type: none"> <li>• Consult on Draft Charging Schedule (DCS) Sep 2012</li> <li>• Exam March 2013</li> <li>• Report June 2013</li> <li>• Adopt Sep 2013</li> </ul>	<p>DCS cannot be agreed until the changes to the Core Strategy have been agreed and cannot be submitted until the Core Strategy Inspector has issued his report ie the CIL must be based on an up-to-date Local Plan. Revised programme;</p> <ul style="list-style-type: none"> <li>• Consult on DCS June 2013</li> <li>• Submit Oct 2013</li> <li>• Hearings Jan 2014</li> <li>• Report March 2014</li> <li>• Adopt April 2014</li> </ul>	<p>No further spend during 2012/13 as costs delayed to 2013/14.</p> <p>Loss of revenue arising from the delay in the programme is limited because there is contingency in the current programme (depending on the transitional arrangements )</p>	Progress preparation of CIL alongside Core Strategy. This will entail a delay of around 6 months but will still enable adoption of CIL in April 20124 in time to limit the loss of CIL income
S106 SPD	Due to be revised alongside publication of CIL Draft Charging Schedule	This is linked to CIL work therefore the review will be delayed to 2013/14 alongside the revised date for the CIL DCS publication. In the meantime, undertake a limited interim update in 2012/12 to ensure it is up-to-date	Cost of full review delayed from 2012/13 to 2013/14.	Full review 2013/14 aligned with CIL work
Article 4 Direction	Confirm Direction March 2013	No implications	'Ring -fenced' budget provided over & above LDF budget. No changes for 2012/13.	Could abandon but significant progress has been made and there is significant public support for the proposal



				No change to programme No change This is integral to the Article 4 Direction work
SPD on Housing in Multiple Occupation	Consult Oct 2012 Adopt March 2013	No implications	Limited LDF budget is needed for consultation on SPD	
Sustainable Construction & retrofitting SPD	Due to be adopted Sep 2012 (now delayed to Nov 2012)	None other than it will supplement the Local Plan pending adoption of the Core Strategy	No change 2012/13. Budget in LDF already committed and bulk of the work completed.	No change to programme
World Heritage Site Setting SPD	Due to be adopted Sep 2012 (now delayed to Nov 2012)	None other than it will supplement the Local Plan until the CS is finalised	No change 2012/13. Budget in LDF already committed and bulk of the work completed.	No change to programme
Neighbourhood Planning Protocol	Adopt in Sep 2012	None – adopt as scheduled	No change 2012/13. Budget in LDF already committed and bulk of the work completed.	No change to programme
Neighbourhood Plans	The Council has the duty to support communities who want to prepare NPs etc.	None	No additional financial costs are expected during 2012/13 and no additional budgetary provision has been made (other than £20k grant for Freshford & Limpley Stoke pilot). In future years Council may have to make financial provision to meet its obligations ie pay for referenda & exams. Costs will be dependent on the local demand. However the NPP & the PMP will be tools to prevent the work escalating too significantly	Preparation of NPs will therefore be curbed if there is significant demand.
Visitor Accommodation SPD	No timetable has yet been formally agreed although a draft SPD was anticipated in late	Review programme in light of the work on CS.	Provision was made by Cabinet for this work over & above the LDF budget	Programme to be considered by Cabinet on 12/9/12

	2012			
“Advertisements & Banners” in Bath	No timetable has yet been formally agreed although a proposal was anticipated in late 2012	Review programme in light of the work on CS.	Provision was made by Cabinet for this work over & above the LDF budget	Programme to be considered by Cabinet on 12/9/12

## APPENDIX 2: SUMMARY OF REVISED LOCAL DEVELOPMENT SCHEME TIMETABLE 2012

	2012						2013						2014						2015																	
	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
<b>Core Strategy</b>	18									C			H				R			A																
<i>Infrastructure Delivery Plan</i>	Update																																			
<b>Placemaking Plan</b>	18																		D			S				H										
> MoD Concept Statements			"A"																																	
<b>Gypsy &amp; Travellers Site Allocations Plan</b>	18						C					D				S			H	R		A														
Article 4 Direction	C				C								A																							
>HMO SPD				C									A																							
Community Infrastructure Levy												D					S		H		R	A														
Planing Obligations SPD update				C		A																														
Planing Obligations SPD review												C										A														
Neighbourhood Planning Protocol			A																																	
Neighbourhood Plans support	Work with local communities																																			
Sustainable Construction & Retrofitting SPD				A																																
World Heritage Site Setting SPD				A																																
"Dressing the city"																																				
Visitor Accomodation SPD																	C																			
Green Infrastructure Strategy					A																															

**18** Regulation 18 ie Update evidence base, develop policy options, Community engagement,

**D** CIL Draft Charging Schedule consultation

**D** Publish Draft Plan & formal consultation

**C** Informal consultation

**S** Submit for examination

**H** Hearings

**R** Inspector's Report

**A** Adopt