

APPENDIX 1

BRIEFING NOTE ON THE ADDITIONAL WORK REQUIRED ON THE BATH & NORTH EAST SOMERSET CORE STRATEGY IN RESPONSE TO THE INSPECTORS PRELIMINARY CONCLUSIONS (ID/28)

1.0 INSPECTOR'S PRELIMINARY CONCLUSIONS

- 1.1 The examination into the Bath & North East Somerset Council Core Strategy has been suspended in light of the Inspector's preliminary conclusions (refs [ID/28](#) & (BNES/39). This will enable further work to be undertaken to address the concerns raised by the Inspector. The scope, methodology and arrangements for this work are set out in this brief.
- 1.2 The overarching timetable for the work is as follows;

STAGE	DATE
<i>Review evidence (including SHMA)</i>	<i>Now to Jan 2013</i>
<i>Develop changes to the spatial strategy</i>	<i>Now to Jan 2013</i>
<i>Update & 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 & consider comments</i>	<i>April -May 2013</i>
<i>Resume exam & 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>

2.0 RE-ASSESSMENT OF THE B&NES HOUSING REQUIREMENT

Inspector's key concerns

- 2.1 The most substantive issue set out in ID/28 relates to the housing requirement for Bath & North East Somerset and the strategy for meeting this requirement. The key preliminary conclusions of the Inspector in respect of this issue are:
- the lack of an National Planning Policy Framework (NPPF) compliant assessment of the housing requirement, given the unsuitability of the Council's methodology;
 - the need to make up the housing delivery shortfall from the existing B&NES Local Plan;
 - the need for a 20% buffer to the 5 year housing land supply;
 - limited flexibility to accommodate any delay in bringing forward the complex, brownfield, mixed use proposals in Bath and Keynsham
 - a lack of flexibility to properly apply the sequential and exception flood risk tests at the allocation/application stage on the brownfield, mixed use sites in Bath and Keynsham
 - the need for a 15 year plan period following adoption
 - the need for greater consideration of how the need to deliver affordable housing should influence the total housing requirement.

Review of SHMA: An NPPF compliant methodology

- 2.2 The key outputs required for the B&NES SHMA review are listed in NPPF (159). The BANES review will, in advance of a full-scale West of England SHMA and policy review process establish a housing requirement for the District. Cross boundary issues, particularly in respect of the growth of Bristol may also be raised in the SHMA. If this is the case an appropriate policy response will need to be set out in the Core Strategy following discussion with Bristol CC and the other West of England Authorities.
- 2.3 In line with requirements of the NPPF para 159, the Strategic Housing Market Assessment will identify the scale and mix of housing and the range of tenures that is likely to be needed over the plan period which:
- meets household and population projections, taking account of migration and demographic change;
 - addresses the need for all types of housing, including affordable housing and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);
 - caters for housing demand and the scale of housing supply necessary to meet this demand
- 2.4 A series of demand scenarios will be assessed potentially covering;
- (1) ONS demographic and CLG household projections,
 - (2) A theoretical natural change only projection (i.e. no net migration)
 - (3) Longer (10 year) term trend migration-led projections (ONS/GLG is 5 year trend based)
 - (4) Employment-led projections of the requirement for housing/labour based on economic forecasts and the aspirations of the WoE LEP, and
 - (5) The implications of range dwelling-led targets on population/labour force.
- 2.5 The analysis of demand will also commentate on the current operation of the market re effective demand and the lending environment and the growth of private rent.
- 2.6 The SHMA will analyse sub-markets within B&NES (based on the key settlements and their hinterlands) and analyse these individually as well as collectively.
- 2.7 In terms of the nature of housing, there is a particular focus in B&NES on student accommodation and the needs of an aging population. The SHMA will examine these issues e.g. the need for extra care housing or other supported living accommodation (NB The Council is also undertaking an update to the Gypsy and Travellers' Needs Assessment)

Duty to cooperate

- 2.8 The SHMA review should have regard to the broad scale of housing need in the West of England for 2006-2026 and 2010-2035. This should take into account, as far as possible, 2011 Census results. The period for the SHMA will be 2010-2035 (reflecting horizon ONS & CLG Projections). The Council will need to consider the time horizon of the plan as set out in 2.13.

The Housing Market Area

- 2.9 The SHMA will also entail a review the current boundary of the strategic housing markets HMA(s) operating across the district, having particular regard to the relationship of

settlements in Wiltshire to B&NES and the predominant pull affecting Keynsham in respect of Bath and Bristol. The future growth of Bristol will also be assessed as far as possible. A specific technical housing requirement for the B&NES administrative area will be determined based on the findings of the SHMA.

Affordable housing need

- 2.10 The SHMA will reveal the current number of households in affordable housing need now and how this might change over the next 5, 10 and 15 years under different scenarios of household growth, household income and house price change etc. Objectively assessed housing needs should be planned for unless there are adverse effects which would outweigh the benefits or where specific policies in the NPPF indicate development should be restricted.

Local Plan housing delivery backlog

- 2.11 The undelivered housing backlog from 1996-2011 will need to be added to forward looking requirements to arrive at the new technical requirement going forward. The Local Plan backlog to 2006 was 850. This increased to over 1,000 by 2011.

Five year land supply

- 2.12 The overall policy based housing requirement will need to take into account the fact that, in order to ensure the delivery of housing in the first five years of the plan, a 20% housing land supply buffer will need to be identified.

The Plan period

- 2.13 The NPPF prefers plans to run for at least 15 years from the date of adoption. The Inspector has signalled that this should be the case. Para 1.2 estimates adoptions this as being December 2013. Effectively this is the end of the 2013/14 financial year which means that the plan period must at least run to the end of 2028/29. There would be some logic in rebasing the Plan from 2006 to 2011 to remove any overlap with the previous Local plan period. As set out in 2.11, under delivery during the LP period would be added to a forward looking requirement. NPPF requires that longer term requirements beyond 15 years be taken into account. This could be achieved by extending the plan period to 2031 – resulting in a 20 year 2011-2031 plan period (17 of which would be post adoption).

3.0 HOUSING LAND SUPPLY

- 3.1 Following the identification of the housing requirement in a manner consistent with the NPPF, the Council will need to consider what implications this has for the Core Strategy and what changes are needed. NPPF para 47 states that local planning authorities should ensure that their Plans meet the full, objectively assessed needs for market and affordable housing in the housing market area.
- 3.2 It will be necessary to look at all 'reasonable' options (NPPF para 182). Depending on the outcome of the housing needs re-assessment, it may be that no changes are required to the spatial strategy. Alternatively, the Council may need to develop changes to the plan to fully accommodate the assessed housing needs/demand. A third option, if justified by evidence, is to conclude that fully meeting the housing need would result in adverse impacts which would significantly and demonstrably outweigh the benefits (NPPF, 14). This

would need to be sufficiently robust in light of the NPPF's focus on achieving economic growth.

- 3.3 All sources of supply will need to be reviewed including bringing in empty properties back into use, windfall sites and student accommodation.

SHLAA Review

- 3.4 A key task will be a review of the Council's Strategic Housing Land Availability Study (SHLAA). The Inspector expressed a number of concerns in ID/28 about the Council's SHLAA. In particular he was concerned that the assessment of the suitability of sites in SHLAA has been influenced by the emerging strategy rather than being an objective assessment of opportunities and site capacity.
- 3.5 The SHLAA review will also need to take into account the Inspector's concern there is little headroom within the Council's existing housing land supply to provide flexibility to accommodate any delay in bringing forward the complex, brownfield, mixed use proposals, especially in Bath and Keynsham; to adapt to rapid change; or to allow for potential residential capacity reductions on sites in the Bath river corridor or at Somerdale when the flood risk sequential and exceptions test are fully applied via the Placemaking Plan.
- 3.6 In considering the approach to flexibility, analysis of other sound Core Strategies will be undertaken. An allowance of around 10% of a housing requirement has been considered appropriate in the past. Other authorities identify a contingency site. Consideration will need to be given as to the approach to be included in the B&NES Core Strategy.
- 3.7 Addressing this flexibility issue may also require assessment of additional development locations and in particular how they contribute to short term housing delivery.

Approach to Assessment of new Locations

- 3.8 If the spatial strategy needs to be reviewed to accommodate new locations for development, the process needs to be set out clearly. In order to ensure that the Council is able to clearly demonstrate that it has chosen the most sustainable/appropriate solution, a range of suitable locational options will need to be assessed. This will incorporate and expand on the broad locations previously assessed at the Spatial Options stage. To be sound a Plan must be justified i.e. "the most appropriate strategy when considered against the reasonable alternatives based on proportionate evidence" (NPPF para 182).
- 3.9 The methodology for assessing options for accommodating the necessary housing will be a 2 stage process;

Stage 1: Identification of the 'reasonable' options using broad criteria based on the NPPF and the 7 Core Strategy objectives. This includes issues such as environmental impact; deliverability; minimising the need to travel; maximising the use of sustainable transport modes, capacity. At examination, the Council will need to demonstrate that it has chosen the most appropriate strategy when considered against reasonable alternatives based on a proportionate evidence base.

Stage 2: In line with the NPPF, the Council aspires to achieve sustainable development. Assessment and comparison of most suitable options primarily using the Sustainability Appraisal criteria from the B&NES LDF Sustainability Appraisal Scoping Report and taking account of the 7 Core Strategy objectives. This work is linked to the review of the SHLAA.

Comparison of options

- 3.10 Other factors to consider if the Council is in the position of seeking to select the most appropriate option for new development
- 3.11 *Viability:* The NPPF makes it clear that pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking, and requires that plans are deliverable. Para 173 of the NPPF states that the sites and the scale of development identified in the Core Strategy should not be subject to a scale of obligations and policy burdens that threatens their ability to be developed viably. The costs of any requirements (such as affordable housing, standards, infrastructure contributions or other requirements) should, when taking account of the normal cost of development and mitigation provide *'competitive returns to a willing land owner and willing developer'* to enable the development to be deliverable. It is a requirement of the NPPF (para 174) to assess the cumulative impact on development of all existing and proposed local standards, supplementary planning documents and policies that support the development plan, when added to nationally required standards. Evidence should be proportionate, using only appropriate available evidence.
- 3.12 *Infrastructure:* New development must be aligned with provision of infrastructure. The B&NES Infrastructure Delivery Plan (IDP) assesses the quality and capacity of infrastructure within B&NES (including transport, water supply, wastewater and its treatment, energy (including heat), telecommunications, utilities, waste, health, social care, education and flood risk), and its ability to support development. The IDP identifies as far as possible the needs and costs of infrastructure, sources of funding, timescales and responsibilities for delivery and gaps in funding. A robust evidence base depends on the periodic updating of costs and reappraisal of financing options as infrastructure programmes and individual projects progress. An updated IDP will therefore be published in November 2012 to support the Core Strategy.
- 3.13 *Flooding:* Any assessment of development options will entail a review of the sequential approach to the location of development to avoid where possible flood risk to people and property taking account of the impacts of climate change. The aim of the Sequential Test is to steer new development to areas with the lowest risk of flooding. Flood risk at potential development sites including new sites will be considered through the SHLAA review. In order to facilitate the smooth delivery of key development sites along the river corridor in Bath, the upstream flood compensatory facility work is being developed. The work is in progress taking account of advice from the Environment Agency and it will be reported to the Cabinet separately.
- 3.14 *Commuting patterns:* Any new development locations should be those which reduce the need to travel and maximise the opportunities to travel by sustainable modes of Transport. Any changes to the Core Strategy should not exacerbate unsustainable commuting patterns, both within the district and across boundaries.

- 3.15 *Green Belt Review*: Before taking land out the Green Belt, all non-Green Belt options must be exhausted. In the event that options in the Green Belt need to be considered, a Green Belt review will be required. This will assess the extent to which different locations serve the purposes of the Green Belt as outlined in national policy (NPPF, para 80) and amplified in the draft Core Strategy (table 8). The conclusions of this Green Belt assessment will then need to be balanced against other sustainability considerations. In addition the Green Belt review will also need to consider and ensure that both the existing boundary and, if appropriate, a revised boundary is robustly defensible having regard to the policy set out in para 85 of the NPPF. Of particular relevance is the need to ensure that the boundaries defined use physical features that are readily recognisable and likely to be permanent and the boundaries defined will not need to be altered at the end of the development plan period (to accommodate future longer term development).
- 3.16 *Affordable housing*: The Council will need to consider the results of the SHMA review's updated assessment of affordable housing needs and the options for accommodating this as well as delivery options.
- 3.17 *Deliverability*: The revised strategy must be deliverable and must facilitate the need to ensure that the district has a 5 yr supply and appropriate buffer (NPPF para 47). Whilst the SHLAA review will take into account the Inspector's concerns about flexibility regarding individual sites, the Council will also need to ensure that there is broad flexibility in the overall strategy and the need for contingency.
- 3.18 *Duty to Cooperate*: In accordance with the duty to cooperate, B&NES will need to take into account any implications of its location within the West of England arising from the review of the SHMA. It will also need to take into account the strategic planning implications of the Core Strategic of other adjoining authorities. The current review of the SHMA and housing supply in B&NES will not prevent the district partaking in the full West of England SHMA and Core Strategy review planning for 2016 or beyond.

4.0 OTHER CHANGES

- 4.1 In addition to housing, the Inspector indicated that there were a few other issues which would need further work which he would notify to the Council by the end of August. At the time of writing, these were not yet received but will be made available to the Cabinet when received.

5.0 DUTY TO CO-OPERATE

- 5.1 Under the Localism Act 2012, public bodies have a duty to cooperate on planning issues that cross administrative boundaries, particularly those which relate to the strategic matters. The duty relates to sustainable development or use of land that would have a significant impact on at least two local planning areas. Paragraph 156 of the NPPF includes in its list of strategic matters the provision of the homes and jobs needed in the area and the necessary infrastructure.
- 5.2 The additional work required to the Core Strategy will be undertaken in a way which accords with the requirements of the duty to co-operate. This includes both the

development of changes to spatial strategy as well as supporting activities. The Council will co-operate with neighbouring authorities as well as other statutory stakeholders. Paragraph 179 of the NPPF requires councils to work together to address strategic priorities across boundaries and development requirements which cannot be wholly met within their own areas.

- 5.3 In relation to the West of England authorities, the Council will work through the existing formal and informal arrangements such as Officer Meetings (Heads of Planning, Heads of Housing, Heads of Transport meetings) , the Planning Housing & Communities Board and bespoke meetings where required. Whilst the LEP is not subject to the Duty to Co-operate the Council will also have regard to the views of the LEP in developing changes to the Core Strategy.
- 5.4 Both Bristol and North Somerset have highlighted that they intend to undertake an early review of their Core Strategies at around 2016 with the preparatory work such as a review of SHMA beginning earlier. The further work required for the B&NES Core Strategy will therefore be a precursor to this provision a pragmatic way forward for B&NES for the intervening 2-3 years. This will enable B&NES to have a Core Strategy in place so that it can participate in the wider West of England review in due course. The work undertaken on the B&NES Core Strategy is still likely to be relevant to the WoE Review.
- 5.5 In relation to other neighbouring authorities, B&NES does not currently have formal arrangements other than informal officer liaison and it is envisaged that co-operation on any changes to the B&NES will be undertaken at appropriate stages as required.
- 5.6 The duty to co-operate covers a number of public bodies in addition to councils. These bodies are set out in Part 2 of the Town & Country Planning (Local Planning) (England) Regulations 2012.

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	
Core Strategy	18									C			H			R		A																		
<i>Infrastructure Delivery Plan</i>	Update																																			
Placemaking Plan	18																		D				S				H						R			A
> MoD Concept Statements			"A"																																	
Gypsy & Travellers Site Allocations Plan	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 review												C												A												
Neighbourhood Planning Protocol			A																																	
Supporting Neighbourhood Plans	Agree a programme of Neighbourhood Plans with Local Commuunities																																			
Sustainable Construction & Retrofitting SPD					A																															
World Heritage Site Setting SPD					A																															
Visitor Accomodation SPD										18						C																				
Green Infrastructure Strategy					A																															

18	Regulation 18 ie Update evidence base, develop policy options, Community engagement,	S	Submit for examination
		H	Hearings
D	CIL Draft Charging Schedule consultation	R	Inspector's Report
D	Publish Draft Plan & formal consultation	A	Adopt
C	Informal consultation		