

1 REGENERATION INTRODUCTION AND CONTEXT

The Regeneration and Development team sits within the Service Division of Regeneration, Skills and Employment, part of the Place Directorate.

The Division is focussed on initiatives and projects that relate to:

- Worklessness – linking with the Connecting Families agenda and ESF
- Skills initiatives to ensure local provision reflects future business needs
- Physical regeneration of key development sites that address market failure in the office, employment and enterprise sectors that allows our 'growth business sectors' to expand and grow as well as providing the required infrastructure and housing.

The Regeneration activities are focused on delivering Sustainable Economic Growth as set out in the Economic Strategy of April 2010, the Smart Economic Growth Cabinet paper of November 2010 and Delivering Sustainable Economic Growth in B&NES Cabinet paper of November 2011.

Furthermore, while seeking to regenerate key physical sites a key priority of this work is maximisation of the wider social and economic growth of the area.

The work outlined in this report is set in the following context:

- A background of significant Government changes to funding and support, continuing macro-economic challenges and increasing pressure on housing; and the aspiration to progress the B&NES Development Agenda.
- The ability of the Council to deliver its priorities and aspirations continues to depend on the alignment of policies in Planning, Transport and the ability of the Council to influence and encourage growth and development through its asset base, policy and enabling officer
- Significant challenges lie ahead in bringing forward development but there are also major opportunities through our Enterprise Area -Bath City Riverside, Bath Western Riverside and Bath Quays South. Also Norton Radstock Regeneration, MOD Sites, Keynsham, Somerdale and Temple Street. All of which could and should have significant ability to help the economic growth, development agenda and Housing delivery.
- The need to continuously review our capacity and organisation in order to respond to this agenda.
- Ensuring that the agenda is rooted in the Administrations requirement to ensure local engagement.

- The continuing development of the Planning and Financing the Future programme (PaFF). This is being carried out to establish the viability of developments and the impact of development upon corporate financing.

2 THE CORE STRATEGY INSPECTOR'S PRELIMINARY CONCLUSIONS

The work of Development, Regeneration, Skills and employment is guided by the Council's policies in the core strategies. The examination into the Core Strategy has been suspended in light of the Inspector's preliminary conclusions (refs ID/28 & 29 and BNES/39). The suspension will enable further work to be undertaken to address the concerns raised by the Inspector.

The most substantive issue set out in ID/28 relates to the housing requirement for the district. For the period 2006-2011 the Core Strategy proposed 11,500 (575pa) homes against a technical requirement of 12,100 (600pa). The Inspector is of the view that the publication of the National Planning Policy Framework (NPPF) during the course of the examination rendered the B&NES methodology for assigning housing need non-compliant with National policy. He therefore states that he could not come to a conclusion on the level of housing. The Inspector states that the concerns he has raised "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."

The reasons for the Council's preference for suspension as opposed to withdrawal are set out in the Council's reply to the Inspector's preliminary conclusions reference BNES/39

Further work required on the Core Strategy

- The Inspector's key issues in respect of housing land are the need for;
- A National Planning Policy Framework 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 time horizon from the eventual date of adoption
- Greater consideration of meeting current and projected affordable housing needs

2.1 Implications for preparation of other LDF Plans

The suspension of the Core Strategy has logistical implications for the preparation of other Local Development Framework documents, most significantly the Placemaking Plan, Community Infrastructure Levy and the Gypsy & Traveller Sites Plan. These documents can only be progressed in alignment with the Core Strategy and there are resource implications of the extra workload. Therefore the Council's programme for the preparation of planning documents in the Local Development Scheme (LDS) needs to be reviewed.

There is considerable benefit to continuing the preparation of the Placemaking Plan alongside the Core Strategy. Not only will the Core Strategy work entail a review of the Strategic Housing Land Availability Assessment (SHLAA) but progressing the Placemaking Plan it will provide the evidence that the development sites are deliverable and that there is a robust assessment of capacity, thereby addressing the Inspector’s concerns about housing delivery.

2.3 Approach to Core Strategy Review

A Report to the 12th September 2012 Cabinet meeting from Cllr Tim Ball (David Trigwell) set out the programme for preparing a National Planning Policy Framework compliant assessment of the housing requirement and for developing subsequent changes to the strategy (if required). This is set out in the table below.

Table

Review evidence (SHMA including market, affordable, older person and student housing matters)	Sept to Jan 2013
Develop changes to strategy (if required)	Now to Jan 2013
Update & clarify other matters in Annex to ID/28 (4 months - overlap with 1&2 above)	Now to Dec 2012
Council agrees changes to Core Strategy	Feb-March 2013
Consult & consider comments	April -May 2013
Resume exam & hearings (Confirm date with Inspectorate)	July 2013
Inspector’s Report (Confirm date with Inspectorate)	Oct 2013
Adopt	Dec 2013

Source

3 DEVELOPMENT AND REGENERATION PROJECTS

This section sets out the current status of each of the projects.

3.1 South West Keynsham K2B

- Planning permission for 285 homes granted on appeal in July 2011.
- Taylor Wimpey are the developer and are currently undertaking work to satisfy the pre-commencement conditions in the planning consent.
- Taylor Wimpey are actively marketing new homes on their website.

3.2 South West Keynsham K2A

- This is a council-owned site which is earmarked in the SHLAA for 235 homes.
- Marketing of the K2A housing site, through specialist consultants, has resulted in a number of offers for the K2A site.
- Detailed discussions are in course with shortlisted firms.
- The results of the marketing suggest that there is good interest in the market in building the full potential of the site

3.3 Somerdale

Discussions continue with Taylor Wimpey, the preferred developer, and Kraft on the consultation process and planning strategy for the site.

Highway modelling work is underway. Archaeological assessment has revealed potential Roman settlements.

Further public consultation scheduled for October'12 in advance of an anticipated planning application by the end of November 2012.

3.4 Riverside

The Council is moving forward with options and negotiations for the demolition and redevelopment of the Riverside Building.

Once determined, the Council will start consulting with the community in the Autumn before any decision on the future of this site.

The ideas being considered indicate that there could be a range of uses for the site and particularly housing, including town houses and retirement living for older people.

3.5 Bath City Riverside - Enterprise Area

In November 2011 a paper was passed by the B&NES Cabinet approving the Bath City Riverside Enterprise Area.

The financial model being developed as proof of concept for the Bath Enterprise Area is being completed and is being reviewed against a series of scenarios and sensitivities.

Work is continuing on the Competitive Identity project with key members of the local business community to better promote the area, and Bath in particular, as a vibrant and active location for business and lifestyle.

Bath Riverside, within the Enterprise Area, has already delivered 48 affordable units and 34 private units within the first 12 months. Sales for these are on target and occupations commenced in July 2012.

Work is continuing to identify further flood alleviation measures to facilitate development of key sites in the Area. In consultation with the Environment Agency the next stage of the Compensatory Flood Storage Study is being prepared which identifies the size of upstream compensatory flood storage area needed.

Developer interest in the Enterprise Area is increasing and initial discussions regarding various sites as well as more detailed discussions for a few priority sites are being held.

An interdepartmental officer working group is developing development criteria for priority sites. These will be used to inform the development process and as a basis for planning policy development.

Bids for the LEP's Revolving Infrastructure Fund are being finalised for Council approval in September 2012. The bids will allow infrastructure projects to be brought forward to release key development sites within the Enterprise Area.

3.6 London Road

A decision on the preferred bidder for 3 & 4 Longacre has been made. Property services are negotiating with the preferred bidder and are expected to instruct solicitors within the next few weeks.

The future of Caroline House is still being discussed between PfP and the Council and an update will follow in due course

London Road budget to deliver physical regeneration £750k for 2012/13 was approved by Cabinet 13th June 2012 for delegated officer decision on individual budget elements once the Project Initiation Document /Capital Strategy Group process has been completed.

A new community group 'The Gateway Group' has been formed to make recommendations to the Sponsoring Cabinet Member of projects to be tested and assessed against agreed criterion. If and when approved, projects will be delivered by a delivery team headed by Development & Major Projects.

A landscape architect was appointed in July 2012 to develop proposals for a public realm scheme. The first workshop with the Gateway Group, to gather initial ideas, took place on 13th August 2012.

3.7 MOD Sites

The M.O.D has announced that its sites at Ensleigh, Foxhill, and Warminster Road are surplus to requirements for military use and the relocation of staff to M.O.D Abbey Wood has already commenced. It is intended to dispose of the sites by March 2013, although a portion of the Ensleigh site is anticipated to remain in active M.O.D use until approximately 2018, and the M.O.D intends to start marketing the sites from September 2012.

The three M.O.D sites are of significant importance to Bath and North East Somerset in terms of housing delivery. The sites are identified within the Strategic Housing Land Availability Assessment (SHLAA) as providing circa 20% (1,200 homes) of Bath's housing units as set out in the Council's Draft Core Strategy in the period up to 2026. The sites provide a significant opportunity to address housing need issues within Bath, together with having the potential to create strong vibrant communities.

A Steering Group, includes senior representatives from the M.O.D, Bath & North East Somerset Council and the Homes and Communities Agency, has prepared a Project Delivery Plan which covers;

- The preparation of Concept Statements including community consultation and stakeholder engagement for each of the MOD sites. These are about to be finalised after a useful consultation period in April and May 2012
- The marketing and disposal of the MOD sites
- The relocation programme & procedures for the transfer of Bath based MOD staff
- Draft Concept Statements have been developed and set out in a concise manner:
 - The aspirations for each site,
 - The key planning priorities and requirements for new development,
 - The process setting out how developers (once the sites have been sold) should engage with local communities

The Concept Statements have undergone a period of public consultation ahead of being submitted for approval by Cabinet in September 2012. Following this the Council will continue to work proactively with the MOD and partners through the Steering Group to implement the Project Delivery Plan.

3.8 Manvers Street

We continue to consider options in relation to the Manvers St site. This includes looking at Banes assets on a standalone basis as well as the possibility of co-operating with other land owners with a view developing a wider regeneration agenda on the site.

3.9 Midsomer Norton

We continue to investigate the possibility of regeneration sites across various locations around MSN. These sites offer the possibility of regeneration opportunities including mixed use and town centre projects.

3.10 Bath Quays South and Bath Quays North

- The team is currently progressing the development of priority sites within the Enterprise Area
- Current priority is the development of a site brief for the council owned Bath Quays South site due to a strong private sector interest in the site.
- The site brief will outline the essential council requirements for the development of the site and will be used as a basis for development proposals.
- The council is also looking into the possibility of progressing a (partial) site development of Bath Quays South without a developer.
- Due to the close regeneration links between Bath Quays South and Bath Quays North, Bath Quays North will be one of the next priority sites the team will develop site briefs for. The responsibility for marketing and progressing the development of Bath Quays North lies with the property department.

3.11 Radstock

Linden Homes remain intent on progressing the scheme and is currently working with the Council to bring forward the site for development. The Council has secured funding to implement the necessary infrastructure to support the new housing. This includes relocating an oak tree which needs to take place in November / December to maximise chances of successful relocation.

4. HOUSING DELIVERY PERFORMANCE FOR 2012 AND 5 YEAR PROJECTION

In 2011/12 460 new homes were delivered;

- For the period 2012/13-16/17 the Strategic Housing Land Availability Assessment (SHLAA) identifies that 3,400 could be delivered.
- This is a very substantial uplift in delivery compared to the last 5 and 10 years
- Whether this uplift it is sufficient in relation to the inspectors conclusions will depend on the outcome of the new Strategic Housing Market Assessment SHMA.
- Finally, the need to identify a 20% buffer to the above may signal the need to identify additional land to that already earmarked in the Draft Core Strategy.

4.1 QPR

Whilst the potential level of housing that could be delivered in 2012/13 is 494, the actual target is for a level of delivery not less than 2011/12 (i.e. 460). This is the NI 154 target.

It is not possible to calculate the NI 159 target (5 year land supply) until the SHMA has been completed. However, the following observation can be made.

- Against the (defunct) Core Strategy technical requirement of 12,000, a 5 year housing land supply could not be identified. There was a deficit of 10 units. To achieve a 20% surplus, as required by the Inspector, a surplus of 648 would be needed i.e. an additional 700 units.
- This does not take into account the requirement to add on the Local Plan shortfall.
- Even if this were to be redressed over a 20 year period the impact in term of 5 year land supply would be significant, especially in conjunction with the need for a 20% buffer.

5 PLANNING AND FINANCING THE FUTURE

The Council has commissioned the “Planning & Financing the Future” (PaFF) project to gain a better understanding of the issues and constraints surrounding the delivery of development sites linked to a financial model which will assess the impact on the Council’s income and expenditure streams over time.

The project is a response to the new and emerging income streams available to local authorities such as New Homes Bonus (NHB), Tax Increment Finance (TIF), Community Infrastructure Levy (CIL) and the potential for retention of Business Rates which are linked to the delivery of housing and employment growth

The PaFF project will initially consist of a pilot study to develop a delivery and funding model based on the Bath City Riverside “City of Ideas” Enterprise Area; the pilot study will establish whether the PAFF model has the potential to be rolled out across the whole of B&NES.

The regeneration and finance teams are now working through specific development site examples in order to inform decision making ahead of the councils budget making process.

6 PROJECTS

6.1 River Group

A scrutiny inquiry, led by the 'Economic & Community Development' (Policy Development & Scrutiny) Panel is scheduled for the end of October 2012, to look at the River Corridor Group report in detail.

All stakeholders in relation to the River Corridor will be invited to join the workshop.

The outcome of the day will be recommendations for the council – and all stakeholders involved – on how the report recommendations should be taken forward.

6.2 Keynsham New Build & Regeneration

- Project remains on budget
- A new Transport Assessment has been submitted and accepted by the Local Highways Authority
- Service disconnections are currently being arranged
- Following the decision by the Development Control Committee to date, the application to allow for design concerns to be reconsidered the project programme is now under review.

6.3 Southgate

- Station works are progressing well and open to the public- anticipated in the autumn 2012
- Practical completion under the Development Agreement Act anticipated October 2012
- Land transfer registration is anticipated end of November 2012

6.4 Public Realm

- Preparatory Projects -City Info, Street Furniture & Pattern book
- All elements are on programme
- Monoliths installation commenced spring 2012 will complete final September 2012
- Printed artwork & maps are completed and have been distributed–talks are taking place with Bath Tourism & Future Bath Plus for leading going forward.
- Street Furniture – Invitation to Tender have been issued - Contractor appointment due 19th November 2012
- Pattern Book aim to complete April 2013.

6.5 Public Realm

- Construction works to Northumberland Place completed 19th July 2012.
- Works to the High Street commenced 8th August 2012 and are on programme and within budget.
- Traffic management by The Abbey will commence to initiate new paving by The Guildhall.
- Traders have been consulted and are continuing to communicate with.
- Planned completion March 2013.

6.6 Guildhall Tech Hub

- Scheme agreed and does not require formal approval (planning and listed building) as it does not alter the original structure
- Due to commence works October 2012.
- Occupation scheduled for early December 2012
- Procurement will utilise local construction companies
- Security access will be installed to separate the Hub from Council operations