

Democratic Services

Riverside, Temple Street, Keynsham, Bristol BS31 1LA
Telephone: (01225) 477000 *main switchboard*
Direct Lines - Tel: 01225 394458
Web-site - <http://www.bathnes.gov.uk>

Your ref:

Our ref:

Date: 12th September 2011

E-mail: Democratic_Services@bathnes.gov.uk

To: All Members of the Housing and Major Projects Policy Development and Scrutiny Panel

Councillor Rob Appleyard Councillor Steve Hedges Councillor Les Kew Councillor Barry Macrae Councillor Brian Simmons Councillor Will Sandry Councillor Paul Fox

Chief Executive and other appropriate officers
Press and Public

Dear Member

Housing and Major Projects Policy Development and Scrutiny Panel: Tuesday, 20th September, 2011

You are invited to attend a meeting of the **Housing and Major Projects Policy Development and Scrutiny Panel**, to be held on **Tuesday, 20th September, 2011** at **5.30 pm** in the **Kaposvar Room - Guildhall, Bath**.

The agenda is set out overleaf.

Yours sincerely

Mark Durnford
for Chief Executive

If you need to access this agenda or any of the supporting reports in an alternative accessible format please contact Democratic Services or the relevant report author whose details are listed at the end of each report.

This Agenda and all accompanying reports are printed on recycled paper

NOTES:

- 1. Inspection of Papers:** Any person wishing to inspect minutes, reports, or a list of the background papers relating to any item on this Agenda should contact Mark Durnford who is available by telephoning Bath 01225 394458 or by calling at The Guildhall, Bath (during normal office hours).
- 2. Public Speaking at Meetings:** The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group. Advance notice is required not less than two full working days before the meeting (this means that for meetings held on Wednesdays notice must be received in Democratic Services by 4.30pm the previous Friday)

The public may also ask a question to which a written answer will be given. Questions must be submitted in writing to Democratic Services at least two full working days in advance of the meeting (this means that for meetings held on Wednesdays, notice must be received in Democratic Services by 4.30pm the previous Friday). If an answer cannot be prepared in time for the meeting it will be sent out within five days afterwards. Further details of the scheme can be obtained by contacting Mark Durnford as above.

- 3. Details of Decisions taken at this meeting** can be found in the minutes which will be published as soon as possible after the meeting, and also circulated with the agenda for the next meeting. In the meantime details can be obtained by contacting Mark Durnford as above.

Appendices to reports are available for inspection as follows:-

Public Access points - Riverside - Keynsham, Guildhall - Bath, Hollies - Midsomer Norton, and Bath Central, Keynsham and Midsomer Norton public libraries.

For Councillors and Officers papers may be inspected via Political Group Research Assistants and Group Rooms/Members' Rooms.

- 4. Attendance Register:** Members should sign the Register which will be circulated at the meeting.
- 5. THE APPENDED SUPPORTING DOCUMENTS ARE IDENTIFIED BY AGENDA ITEM NUMBER.**
- 6. Emergency Evacuation Procedure**

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are sign-posted.

Arrangements are in place for the safe evacuation of disabled people.

**Housing and Major Projects Policy Development and Scrutiny Panel - Tuesday, 20th
September, 2011**

at 5.30 pm in the Kaposvar Room - Guildhall, Bath

A G E N D A

1. WELCOME AND INTRODUCTIONS

2. EMERGENCY EVACUATION PROCEDURE

The Chair will draw attention to the emergency evacuation procedure as set out under Note 6.

3. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

4. DECLARATIONS OF INTEREST UNDER THE LOCAL GOVERNMENT ACT 1972

Members who have an interest to declare are asked to:

- a) State the Item Number in which they have the interest
- b) The nature of the interest
- c) Whether the interest is personal, or personal and prejudicial

Any Member who is unsure about the above should seek advice from the Monitoring Officer prior to the meeting in order to expedite matters at the meeting itself.

5. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

6. ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

Mr David Redgewell has requested to address the Panel on the matter of Bath Spa Railway Station.

7. MINUTES - 2ND AUGUST 2011 (Pages 5 - 12)

8. CABINET MEMBER UPDATE

This item gives the Panel an opportunity to ask questions to the Cabinet Member(s) and for them to update the Panel on any current issues.

9. HOUSING & MAJOR PROJECTS UPDATE (Pages 13 - 48)

This report provides an update in respect of housing delivery and the projects currently managed by the Development & Major Projects Directorate.

10. DELIVERING SUSTAINABLE ECONOMIC GROWTH IN B&NES (Pages 49 - 92)

This paper sets out changes both to the economy and the Government's economic and finance policy since the publication of the Council's Economic Strategy 2010 – 2026, which impact on the support available to local people and businesses in creating and sustaining jobs. It is based on recent research published in May 2011.

11. PANEL WORKPLAN (Pages 93 - 98)

This report presents the latest workplan for the Panel (Appendix 1).

The Committee Administrator for this meeting is Mark Durnford who can be contacted on 01225 394458.

BATH AND NORTH EAST SOMERSET COUNCIL

HOUSING AND MAJOR PROJECTS POLICY DEVELOPMENT AND SCRUTINY PANEL

Tuesday, 2nd August, 2011

Present:- Councillors Rob Appleyard (Chair), Steve Hedges (Vice-Chair), Les Kew, Barry Macrae, Brian Simmons, Will Sandry and Paul Fox

Also in attendance: John Betty (Strategic Director, Development & Major Projects), Derek Quilter (Divisional Director, Project Management, Major Projects) and Graham Sabourn (Associate Director, Housing and Health)

Councillor Tim Ball – Cabinet Member for Homes and Planning

Councillor Cherry Beath – Cabinet Member for Sustainable Development

1 WELCOME AND INTRODUCTIONS

The Chairman welcomed everyone to the meeting.

2 EMERGENCY EVACUATION PROCEDURE

The Chairman drew attention to the emergency evacuation procedure.

3 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

There were none.

4 DECLARATIONS OF INTEREST UNDER THE LOCAL GOVERNMENT ACT 1972

There were none.

5 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

There was none.

6 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

There was none.

7 HOUSING & MAJOR PROJECTS ROUTINE REPORT

The Strategic Director for Development & Major Projects introduced this item to the Panel. He explained that the directorate was focused on delivering Sustainable Economic Growth as set out in the Economic Strategy of April 2010 and the Smart Economic Growth Cabinet paper of November 2010. The delivery of this is manifested through Business development and support, Regeneration and

Development projects, Housing Delivery and the continued delivery of Capital projects.

He added that there were significant challenges ahead in bringing forward development but there were also major opportunities through Bath City Riverside, Bath Western Riverside, Bath Quays South, Manvers Street, Norton Radstock Regeneration, MOD Sites, Keynsham, Somerdale and Temple Street. All of which could and should have significant ability to help the economic growth and development agenda. The Directorate is currently reviewing its capacity and organisation in order to respond to this agenda.

Councillor Barry Macrae asked if he felt he had enough resources and the backing of the new administration.

The Strategic Director for Development & Major Projects replied yes, subject to a review currently underway or additional activities being required.

Councillor Cherry Beath, Cabinet Member for Sustainable Development added that she was aware of the staff resources that were required and was very appreciative of the hard work that the officers do.

Councillor Barry Macrae commented that he would encourage the Panel to ensure the directorate does have the resources it needs.

Councillor Paul Fox asked what the current status on work relating to the West of England was.

The Strategic Director for Development & Major Projects replied that the West of England Partnership submitted a proposal to Government to form a Local Enterprise Partnership (LEP) covering the West of England area in September 2010. In October 2010 it was announced that the West of England was successful and that the Enterprise Zone would be in Bristol Temple Quarter. The LEP Board agreed to the establishment of Enterprise Areas – in Bath this would be Bath City Riverside - and should proceed with establishing its Board. He added that the purpose of the LEP is to support the delivery of sustainable economic growth and private sector jobs in the West of England.

The Strategic Director for Development & Major Projects addressed the Panel on some of the Council's Major Projects.

Keynsham Town Hall:

Further consultation and engagement with the local community about the regeneration of Keynsham town centre will take place in Autumn 2011. The timescale for the wider consultation is intended to allow the new Cabinet to consider options about the best way to deliver a well thought out scheme that will support the regeneration of Keynsham, including the Riverside building, take account of Somerdale and provide the best possible value for money for the local taxpayer. The public consultation will cover all elements of the scheme such as building design and materials, new streets and spaces, traffic and parking, and how the scheme will contribute to the wider regeneration of Keynsham town centre. A public consultation

is planned for Autumn 2011 with a view to submitting a planning application by the end of the year 2011.

Councillor Will Sandry commented that Public Realm activity appeared to be very much focussed on the city centre of Bath and called for more to be done for the district centres around the city. He asked if any of the new bike share facilities could be installed in the district centres.

The Strategic Director for Development & Major Projects replied that he believed the Civitas scheme was quite prescribed with what the Council were allowed to do with the funding, but added he was willing to look at further options.

Radstock Public Infrastructure:

In addition to its own funding, the Council has secured investment support worth £800k from the Homes and Communities Agency (HCA) to enable the improvements to the current road network to begin.

The Chairman commented that there appeared to be a great deal of concern over the proposed flow of traffic and suggested that any information that could be made public should be done as soon as possible.

Councillor Cherry Beath, Cabinet Member for Sustainable Development commented that both she and Councillor Roger Symonds, Cabinet Member for Transport would be walking the route in the very near future and would endeavour to take on all views.

Councillor Les Kew wished to comment on the misconception that the improvements were subject to the development of the Norton Radstock Regeneration. He stated that they were not. He added that he felt that access from Hayden appeared to be the main problem and suggested a mini roundabout be inserted there.

The Chairman asked for Councillor Beath to update the Panel at their next meeting following her visit to Radstock.

Public Realm:

Councillor Paul Fox stated that he believed we have one of the world's greatest cities and called for it to be looked after properly, in particular the pavements which he described as disgraceful.

Wellsway Sports Hall:

Councillor Les Kew commented that he was appalled by the previous application made.

The Divisional Director for Project Management replied that the previous application had put the Council in a difficult position with regard to the Green Belt Policy. He added that consultation had now taken place with residents over three options for the hall and that a Planning submission was submitted on 15th July 2011 for the aim of full Planning consent on 27th October 2011.

Bath Western Riverside:

Fifty affordable housing units should be ready for occupation in October 2011. Our Development Partner is in discussions with a Supermarket chain on the removal of the remaining Gas holders.

Councillor Will Sandry asked if there was any truth in the rumour that Crest had damaged a support to the Victoria Bridge.

The Strategic Director for Development & Major Projects replied that this was not true although excavation work had been carried out close to the supports.

Councillor Will Sandry asked who was in control of the re-opening of the bridge.

The Strategic Director for Development & Major Projects replied that the bridge requires significant general repairs before it can re-open and that it was the Council's role to repair it. He added that the Highways team and a lead engineer were working towards a solution and that Crest's role was to provide an enhancement to the bridge.

Councillor Les Kew asked if Crest would still be making a contribution of £2m given that the Bath Transport Package (BTP) has been hugely revised.

The Strategic Director for Development & Major Projects replied that the transport corridor remains and will need to be serviced. He stated there had been no challenge at present from Crest on this agreement.

Somerdale:

Kraft is in the process of procuring a developer for the Somerdale site. They are currently assessing the Expressions of interest and will be shortlisting a number of developers to work up a more detailed proposal for selection in the Autumn 2011. An introductory meeting has been set up between representatives of Kraft, the Leader of the Council and Cabinet Member for Sustainable Development in August.

Councillor Steve Hedges suggested the Panel should receive some feedback from either the Leader or the Cabinet Member on that meeting in September.

Councillor Barry Macrae asked if the bids were broadly meeting the aspirations of the Council.

The Strategic Director for Development & Major Projects replied yes.

MOD Sites:

The MOD has confirmed that it is to vacate all three of its sites in Bath and move 2,600 jobs to the Abbey Wood complex in South Gloucestershire. The Council has expressed concerns over the economic and environmental impacts of these relocations and is seeking to address these and the future use of the three sites with the MOD through a Bath Sites Working Group.

Councillor Paul Fox asked who leads the Bath Sites Working Group.

The Strategic Director for Development & Major Projects replied that is led by the MOD and that the Council interfaces with them. He stated that the Council needs its own internal focus group that leads on formulating future plans for the sites.

Enterprise Area:

The West of England Local Enterprise Partnership (LEP) has determined that Bristol Temple Quarter will be given a new designation as an Enterprise Zone. The Government will also offer a business rate holiday for new businesses starting in the zone and allow the LEP to retain business rates from new businesses. As part of this agreement 3 Enterprise Areas have also been agreed within the West of England. One of these is Bath City Riverside. This designation means that these areas will be the first to benefit from some of the financial gains from business rate retention accrued from the Bristol Temple Quarter Enterprise Zone.

The Strategic Director for Development & Major Projects suggested the Panel may wish to focus on this work area in future meetings.

Councillor Paul Fox commented that he would be happy for this element of work to be within the remit of the Panel.

Housing Delivey:

The Government has put in place the New Homes Bonus. This is a new scheme which provides a financial incentive to Local Authorities for every home built and an additional bonus for affordable homes built - Bath and North East Somerset received £611,349 in its first allocation.

A new Affordable Rent Model (AR) is being implemented. Affordable rented homes will be made available to tenants by Registered Providers at up to a maximum of 80% of market rent and allocated in the same way as social housing is at present. Landlords will have the freedom to offer Affordable Rent properties on flexible tenancies tailored to the housing needs of individual households.

Councillor Will Sandry asked why the Homes and Communities Agency had pulled out of plans to develop a hostel at a cost of around £8m.

The Strategic Director for Development & Major Projects replied that he was unaware of any such proposal.

Councillor Will Sandry asked what the mechanism was within the Council that allowed the directorate to take control of a project.

The Strategic Director for Development & Major Projects replied that there was a very robust project initiation process that included aspects of budget and governance.

The Chairman asked how the New Homes Bonus would be reinvested.

The Strategic Director for Development & Major Projects replied that it would be a un-ring-fenced sum of money that would need to be debated politically as to its priority for spending.

The Chairman asked the Panel to think about its Policy Development role briefly with regard to both Affordable Rent and the New Homes Bonus.

The Associate Director for Housing & Health commented that the Panel will be receiving a report to its next meeting on the Strategic Tenancy Policy.

The Strategic Director for Development & Major Projects replied that they would endeavour to bring the Panel a more joined up report at the next meeting which would expand on the Housing detail.

Councillor Paul Fox suggested the Panel received a presentation in relation to Housing that showed the levers available to the Council.

The Chairman asked why the Council needed to ask for an extension of time when it was posed questions by the Core Strategy inspector.

The Strategic Director for Development & Major Projects replied that the inspector had a number of concerns relating to delivery, brownfield sites, growth levels, Transport Strategy and the Growth Agenda. A three month period was recommended to the Cabinet to allow for a measured response.

Councillor Tim Ball, Cabinet Member for Homes and Planning commented that he felt the issue of traveller's sites should be properly addressed through an actual policy.

Councillor Steve Hedges asked if he could update the Panel on the planned hostel for James Street West.

Councillor Tim Ball replied that all plans for a hostel had been stopped as it was not feasible to invest £3m on such a project at this time.

Councillor Steve Hedges asked what the Council could do to aid the people that would have benefited from such a hostel. He suggested that both this Panel and the Wellbeing Panel looked at how provision could be enhanced.

Councillor Will Sandry supported this proposal as he believed that hostel provision was very important.

The Associate Director for Housing & Health replied that pathway solutions were now required to move this issue forward and that reports would be submitted to both Panels at the same time.

The Chairman stated that he was willing to meet with the Chairman and Vice-Chairman of the Wellbeing Panel to discuss the matter. He asked the Cabinet Member for Homes and Planning if he would bring the options in relation to traveller's sites before the Panel

The Cabinet Member for Homes and Planning replied that he would.

The Panel **RESOLVED** to note the report and requested that they received a more focussed Housing report to its September meeting.

8 HOUSING RENEWAL POLICY

Councillor Will Sandry asked for the report to be noted as the Cabinet had adopted the revised policy as a matter of priority on the 13th July 2011.

Councillor Steve Hedges commented that the Panel must maintain its role of overview.

The Associate Director for Housing & Health explained that normally a report such as this would have come to the Panel prior to a decision being made, but due to the removal of around £700,000 from the budget an urgent decision was required to be taken.

The Panel **RESOLVED** to note the report.

9 CABINET MEMBER UPDATE

The Cabinet Members had nothing further to add from the contributions they had made during the debate on the previous agenda items.

10 PANEL WORKPLAN

The Chairman introduced this item to the Panel.

Councillor Paul Fox asked if the Medium Term Service Plans and Service Action Plans would still be debated by the Panel in November and January.

The Chairman replied that yes they would.

Councillor Will Sandry asked for the Panel to receive a report on the quality of HMO accommodation (Houses of Multiple Occupancy).

The Chairman suggested that should form part of the report due in March 2012 in relation to the House Condition Surveys.

Councillor Brian Simmons asked if the Panel could look at flood mitigation.

The Chairman replied that the Planning, Transport & Environment Panel had been designated to lead on this work area.

The Panel **RESOLVED** to agree with the proposals made above.

The meeting ended at 7.50 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services

**Housing, Major Projects & Delivering Sustainable
Economic Growth**

20th September 2011

**Prepared by the Development and Major Projects Strategic Director - John Betty
including Housing Services Update – Graham Sabourn**

Contents

	Sustainable Development Overview	3
Part 1	Housing	4
1.1	Housing Delivery	5
1.2	Housing Services Update: Graham Sabourn	11
Part 2	Major Projects & Development Overview	19
2.1	Sustainable Development (Regeneration Delivery)	20
2.2	Economic Enterprise & Business Development Overview	23
2.3	Local Enterprise Partnership (LEP)	29
2.4	Council Direct Projects	33

Sustainable Development Overview

- The Directorate is focused on delivering Sustainable Economic Growth as set out in the Economic Strategy of April 2010 and the Smart Economic Growth Cabinet paper of November 2010.
- The delivery of this is manifested through Business development and support, Regeneration and Development projects, Housing Delivery and the continued delivery of Capital projects.
- This work is set against a background of significant Government changes to funding and support, continuing macro-economic challenges and increasing pressure on housing.
- The ability of the Council to deliver its priorities and aspirations in this area will 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 and influence.
- The Directorate is responsible for providing a co-ordinated and integrated approach to the provision of Housing, Jobs, Business growth and Economic activity.
- There are significant challenges ahead in bringing forward development but there are also major opportunities through our Enterprise Area -Bath City Riverside, Bath Western Riverside, Bath Quays South and Manvers Street. 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 Directorate is currently reviewing its capacity and organisation in order to respond to this agenda.
- The requirement to ensure that the agenda is rooted in the Administrations requirement to ensure local engagement.

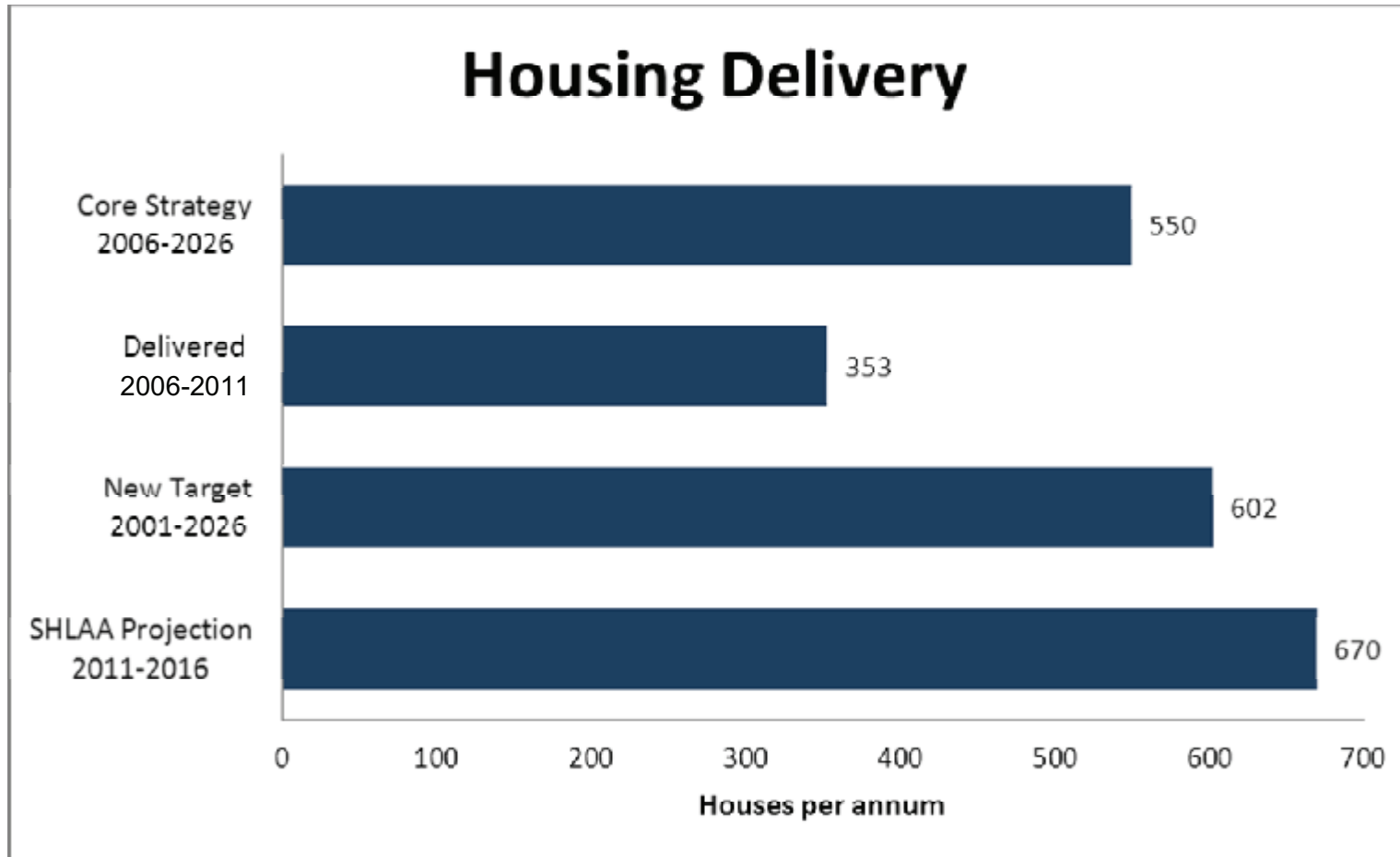
Part 1. Housing

1.1 Housing Delivery

- **Commitment**

- The Council has published a Core Strategy which seeks to provide 11,000 new homes in B&NES by 2026. This will require a step change in annual delivery rates over the plan period from 393per annum (2006-2011) to achieve the required average of 550pa. (Core Strategy Target 2006-2026)
- Given the scope of the changes and demands of this the Strategic Director for Development & Major Projects has been given the corporate responsibility for developing a Council-Wide action plan to ensure a corporate co-ordinated approach to the delivery of housing, including affordable housing.
- A brief review of the current arrangements within the council has been commissioned by SDG. The report will cover the capabilities and effectiveness of the organisation and the capacity currently in place and will recommend actions necessary to ensure that there is a co-ordinated approach across the council and accountable to the Strategic Director of Development and Major Projects.
- The report will address:
 - an assessment of current governance structures and future needs
 - priorities for action against Council corporate objectives
 - targets, reporting and accountabilities
 - skills/capacity/gap analysis
 - Current management reporting arrangements.
- The Core Strategy will be subject to an Examination in Public in January 2012, including the proposed Housing numbers and delivery locations.

- **Delivery update and targets**
 - Based on demographic, migration, household and housing market indicators the Bath and North East Somerset future housing growth requirements study concluded that in order for housing supply to absorb demographic change and support economic and employment growth potential it would need to increase by 11,000 dwellings over the Core Strategy period.
 - Between 2006 and 2011 1967 homes (an annual average of 393 homes were built. This leaves 9,033 homes to be delivered over the next 15 years at an annual average of 602 per annum. This results in a requirement for the next 5 years of 3011
 - The Strategic Housing Land Availability Assessment considers that 3,346 homes could reasonably be expected to come forward between 2011/12 and 2015/16.
 - The Council's policy is to focus on brownfield land in delivering these targets in order to protect the quality of life for residents in Bath and North East Somerset.
 - Sufficient brownfield land has been identified to achieve these targets. However there remain some challenges in delivery:
 - Working with the MOD and other partners to bring forward sites vacated in Bath
 - Ensuring infrastructure is in place to allow development in Bath City Centre sites (including Bath Western Riverside)
 - High land values in Bath and Keynsham in particular
 - Influencing other land owners to ensure disposal of other key sites (e.g. Somerdale in Keynsham and Polestar in Poulton)
 - Reluctance of some developers to build, given the on-going uncertainty about house prices and availability of credit.



Major sites coming forward (e.g. BWR, MoD, Keynsham) will assist delivery

- **Positive Key issues in relation to Housing:**

- **BWR** - Phase 1 underway. 60 homes expected in 2011/12. Remaining 240 between 2012/13 and 2014/15. 'Strategic Housing Land Availability Assessment' (SHLAA) expects phase 2 to begin to deliver from 2015/16.
- **Somer Schemes in Bath** – progressing well and in line with SHLAA trajectory.
- **MOD** – MOD proposing to dispose of sites by March 2013. SHLAA forecasts first completions from 2016/17 (i.e. nothing within the next 5 years). Significant planning policy and development management stages to be progressed in advance of redevelopment of sites. Dialogue established with MoD and HCA. Concept Statements being prepared by BANES to inform sale/ value of the sites.
- **South West Keynsham (K2)** - Planning permission for 285 homes granted at appeal. Decision received July 22 2011. Essential to SHLAA housing delivery trajectory that the Council now progresses its part of the site and that it begins to deliver within the next couple of years.
- **Somerdale** – Sale of site progressing. Scope for development towards end of current 5 year period.
- **NRR** – Linden Homes intent on progressing redevelopment after road works have been implemented. Extension to Planning consent currently pending.
- **Polestar Phase 1** – Major elements delivered but development of final quadrant of site (c.30 flats) has been delayed.

- **The effect of Government Policy on viability to deliver**

- **Community Infrastructure Levy (CIL)**

- The CIL allows local authorities to raise funds from developers undertaking new building projects to provide key infrastructure needed as a result of development. The new system has been introduced to overcome the perceived inadequacies of s.106 agreement and once adopted it offers a more transparent and simplified system.
 - We are in the process of appointing a specialist for the provision of economic viability assessment evidence and recommended approach for the CIL.

Timetable:

Commence	July 2011
Public consultation on Preliminary Draft Charging Schedule	March-April 2012
Public consultation on Draft Charging Schedule	September 2012
Submission	December 2012
Hearings	March 2013
Adoption	September 2013

- **New Homes Bonus (NHB)**

- The Government has put in place the New Homes Bonus. This is a new scheme which provides a financial incentive to Local Authorities for every home built and an additional bonus for affordable homes built. Bath and North East Somerset received £611,349 in its first allocation.

- **Grant Applications - Regional Growth Fund (RGF)**
 - In 2010 the Government launched the Regional Growth Fund. This is a £1.4 billion fund over three years to create private sector jobs, particularly in areas with a high reliance on public sector employment. Bath and North East Somerset has strongly supported a bid to round 2, worth £4 million from the University of Bath to develop a Tech Hub for Bath, building on the areas existing strengths in digital and media sectors. In round 2 nationally 492 bids were received with a combined value of £3.3bill. The outcome of the applications will be announced in the Autumn.
 - A work stream entitled “Planning for the future, Financing the future” is being commissioned to study the interrelated effects of CIL, NHB, RGF and Homes Communities Agency (HCA) Funding including the Affordable Rent model.

1.2. Housing Services Update: Graham Sabourn

- The Localism Bill, which is expected to receive Royal Assent in November, introduces a number of housing reforms and flexibilities which will affect some of our housing activities around homelessness, housing allocations and tenancies. One of the key proposals is the requirement that Councils produce a 'Strategic Tenancy Policy' (STP) which RPs¹ "are to have regard in formulating policies". The STP should articulate the Councils view on the kind of tenancies that RPs should use and how they should be operated. There may be merits in using the STP as a vehicle to articulate a more comprehensive view of our housing policies, including guiding principles, RP asset management, housing allocation priorities, housing advice and how we will monitor and review the policy.
- The majority of the housing reforms provide Local Housing Authorities with greater freedoms. The use of these freedoms requires a clear view on our corporate priorities. This initial briefing aims to highlight the key changes, the emerging evidence and the issues around competing priorities that will need to be considered before formulating and agreeing our policies. A future report, later in the financial year, will bring the proposed STP and housing allocations policy to this panel.
- The proposed housing changes include:
 - Introducing the option to offer social tenants flexible tenancies and at a rent of up to 80% of local market rents, known as Affordable Rent.
 - Allowing significantly greater freedoms for the Council to decide who is eligible to join the housing waiting list & how they are prioritised.
 - A requirement to produce and publish an STP which RPs "are to have regard in formulating policies". The STP should articulate the Councils view on the kind of tenancies that RPs should use and how they should be operated.
 - Abolition of Housing Revenue Account, which although a significant change has no effect for 'Large Scale Voluntary Transfer' LSVT authorities such as Bath & North East Somerset which no longer own their own stock.
 - Enabling authorities to discharge their homelessness duty through accommodating a household in the private rented sector.

¹ RP – Registered Providers of social housing.

- Changes to the system governing complaints about social housing providers.
- It should also be noted that these changes are being implemented in an environment where a number of other changes are, or will be, impacting upon the local housing market, notably changes aimed at reducing the housing benefit bill.

Affordable Rent Tenure

Background

- An alternative to the existing “social rent” tenancy. Gives RPs the option to offer fixed term tenancies to new tenants at rents of up to 80% of market rent. The higher rents can only be introduced after an RP has reached a development agreement with the HCA.² The minimum fixed term tenancy is 2 years although “lifetime” tenancies are not precluded. Affordable Rent will be covered by the Local Housing Allowance. End of term requires a tenancy review which may result in the tenancy being renewed, altered or notice to quit given. In the later case RP would be required to provide housing options advice.
- We understand that our largest housing providers, including Somer, Knightstone & Guinness have all reached 4 year development agreements with the HCA and so will be introducing this new tenure type. As part of this agreement we expect between 40 -50% of future voids within the existing stock will be converted to the affordable rent model when they are relet.
- The Government is assuming that this new tenure type will have a positive impact on development viability by allowing RPs to borrow against the increased future rental stream. This is expected to counter the significant reduction in Government subsidy for the development of new affordable housing and sustain future investment, in part supported by strategic asset disposal.
- The Government has made it clear that all affordable housing, including Affordable Rent properties, should continue to be let through a Choice Based Lettings Scheme, like our existing Homesearch system, with a continuing emphasis on the reasonable preference categories. It would therefore be difficult to prioritise Affordable Rent properties for a particular client group.

² HCA – Homes & Community Agency, the Government funding agency for housing development.

Evidence

- To understand the local impact of this new tenure on planning policy, development viability and affordability Planning & Housing Services jointly commissioned independent research³. This report is due to be published as part of the Core Strategy process. In addition Housing Services have consulted with a number of local RPs and a random sample of 300 Homesearch applicants.
- Affordable rents at 80% of market rents are likely to be around 20 – 50% higher than the typical social rent on a new property. In financial terms this ranges from a monthly increase of £50 for a studio flat in Norton Radstock to over £200 for a 4 bedroom property in Bath. These increases will be slightly higher when new Affordable Rent properties are compared to existing social rents.
- It is generally assumed that for housing costs to be affordable and sustainable they should not exceed 25% of household income. As such, and assuming the household was not in receipt of housing benefit, the research indicated household income for Affordable Rent properties would need to range from £17,000 for a 1 bed flat in Norton Radstock to £42,000 for a 4 bed house in Bath.
- Emerging evidence from the Homesearch sample survey suggests that around 50% of applicants are on full or partial housing benefit and 75% of those not on housing benefit have a household income of less than £20,000. However, overall only 25% of respondents said they would not bid for Affordable Rent properties. It should be noted that at the time of writing this was based upon a very small sample size and so the sampling errors are potentially significant. Over the coming months we will improve upon the accuracy of this data.
- The Affordable Rent model has the potential to increase the deliverability of larger properties, particularly in higher value areas. Conversely smaller properties, particularly in low value areas become more challenging to deliver.
- Nationally and locally there is evidence to suggest that a significant proportion of RP properties are under-occupied. Flexible tenancies provide a tool to ensure that under-occupancy is kept to a minimum and that the social housing resource is targeted to those in greatest need. Emerging evidence from the Homesearch sample survey suggests that around 30% and 55% of respondents believe that tenancies should be for 5 years or life respectively. Most local RPs state that a “default” tenancy length should be 10 years. There is also significant evidence to suggest that households who perceive themselves as having a long

³ Ark Report: The Impact of Affordable Rents on the Viability of Residential Development with Affordable Housing Planning Obligations (July 2011).

term stake in the area tend to invest more social capital into the area creating more sustainable communities and neighbourhoods.

Emerging Issues

- There is tension between RPs using the affordable rent model at 80% and affordability. This is a particular issue for family housing. It is likely that we will wish to encourage landlords to moderate the rent for larger family properties in high value areas, or else the emerging evidence is that only households on housing benefit will be able to afford these properties. However, it is important to realise that this approach would impact upon deliverability.
- There is tension between the most effective use of the social housing stock and providing households with long-term tenancy security and creating a sustainable community.

Housing Allocations

Background

- The coalition government has previously encouraged local housing authorities to make best use of the flexibilities within current legislation, including *Fair & flexible* statutory guidance published under the previous government. The Localism Bill has now taken this a step forward by removing the need for local housing authorities to maintain waiting lists that are “open” to all residents who meet a national residency requirement. In effect local housing authorities can now restrict access to the housing waiting list, that is, move to a “closed” list.
- It is likely that many authorities may wish to restrict access to those applicants with a local connection and below a certain household income. However, priority on the waiting list must still be given to those meeting the “reasonable preference criteria”, that is, homeless, those needing to move on medical or welfare grounds, overcrowded and those occupying insanitary housing.

Evidence

- There are currently around 11,000 households on Homesearch, the Council's housing waiting list. In 2010/11, a particularly good year for allocations, we allocated 704 properties, of which 151 were sheltered accommodation. During the period October 2007 – February 2011 we housed 1,839 households. Of these 2.6% had no local connection with Bath & North East Somerset; 26% were existing RP tenants; 62% were assessed as in priority need; 20% were aged under 25; 27% were aged 55 or older.
- Demand, expressed as a percentage of stock, ranges from 14% for a 3 bedroom property in Batheaston to 2500% for a 1 bedroom property in Chew Magna.
- During meetings with the RPs they have expressed concern over any attempts to overly restrict access to the waiting list. This is due to two principal concerns. Firstly, to ensure sustainable developments they seek to ensure a relatively broad cross-section of households. If the register was restricted to those solely in greatest need then it could affect the social balance of their communities. Secondly, an overly restrictive register could result in no one bidding for low-demand properties. This is evidenced by the fact that 38% of properties since 2007 have been accessed by non-high priority households.

Emerging Issues

- There is tension between the desire to reduce housing waiting lists and the desire of RPs to have an ample supply of households who can ensure that vacant properties are promptly let and with a balance around housing need.
- The Homesearch system is highly automated and as such can be maintained by 5 FTE. However, a policy which required significant input at the application stage, for example having to verify complex application details, or resulted in a large number of disputes, would dramatically impact upon resources. This is apparent when it realised that at present 2 FTE staff are expected to process between 200 and 300 applications per month, that is, between 10 & 15 new applications each day.

Strategic Tenancy Policy

Background

- Local Housing Authority required to produce a strategic tenancy policy (STP) which RPs “are to have regard in formulating policies”. The STP is required to be place within 12 months of the Localism Bill receiving Royal Assent. The STP should articulate the Council’s view on the kind of tenancies that RPs should use and how they should be operated. The government has made it clear that the STP must be based evidence based.
- The author expects the STP to include the following sections:
 - Guiding Principles – our overarching principles
 - Allocation Scheme – who are we prioritising and how this meets our strategic objectives
 - Flexible and Introductory Tenancies – how should these operate in practice
 - Use of Affordable Rent Tenancies – what proportion of stock should be subject to this tenure type
 - Homelessness Prevention –what services should the RPs & the Council provide to those whose tenancies come to an end
 - Asset Management – on what basis will we support the disposal of RP assets
 - Monitoring & Review – how we will monitor compliance with the STP

Emerging Issues

- As part of the HCA 4 year bidding process the RPs have already agreed their overarching use of ART. As such there is the potential for conflict between our STP and local RP practice. However, given that our strategic aims should broadly align then it follows that our STP will broadly align.

- Once each of the West of England authorities has developed their draft STPs we can investigate any potential overlaps. A WofE wide policy is likely to be more influential than a single authority STP.

Changes to the system governing complaints about social housing providers

Background

- The Localism Bill will change the jurisdiction and role of the Housing Ombudsman and the way social housing complaints are handled, with effect from 1 April 2013. There are three main changes, these being:
 - Complaints against local authorities as social landlords (as well as their ownership and management of leasehold housing), which are currently considered by the three Commissioners for Local Administration in England (the Local Government Ombudsmen), will be transferred to the Housing Ombudsman.
 - The Secretary of State will have the ability to enable the Housing Ombudsman to apply to a court to have his determinations enforced when necessary.
 - Tenants of registered providers will no longer have direct right of access to the Ombudsman; instead, they will have to request that their complaint be referred to him by the MP, Councillor, or tenant panel after the matter has been dealt with locally by first completing the internal complaints procedure of the landlord. This is known as the Democratic Filter.

Emerging Issues

- Local Councillors will have a new role as “democratic filters”. It will be important that Councillors are fully supported in this role, including having an understanding of the internal complaint procedures of the main local RPs.

Homelessness Duty

Background

- The homelessness legislation places a duty on local authorities to secure suitable accommodation for homeless families with children and those who have a priority need for housing. Currently this duty can only be discharged under very specific circumstances and even though suitable accommodation is available in the private sector it can only be used to discharge this duty with the applicant's written consent.
- The consequence of this is that households, who are owed the main homelessness duty, can insist on an offer of social housing, and under housing allocation legislation; they must be given reasonable preference for social housing.
- The proposal is to give local authorities the discretion to decide whether to offer social housing or whether suitable accommodation could be provided within the private rented sector. The homelessness duty could then be discharged with an offer of an assured short hold tenancy of a minimum of 12 months.

Evidence

- Housing Services has established a very positive relationship with the private sector. Through the Homefinder scheme almost 300 tenancies have been created in the last five years for homeless and potentially homeless households, who have accepted them voluntarily.
- Currently we have 29 households in temporary accommodation, although some of these will be waiting a formal decision the majority will be owed the main homelessness duty and are waiting for social housing.

Emerging Issues

- This is likely to be relatively uncontroversial and it would allow us to be more creative with the available housing in the area. It may also discourage households from using the homelessness route to access social housing and so create a fairer system.

Part 2.

Major Projects & Development Overview

2.1 Sustainable Development (Regeneration Delivery)

- **Affording the Future**

- The Council needs to understand the impact of the new financial regimes brought in by Government, which moving forward place more emphasis on delivering housing and employment growth, and how these might impact on the Authorities revenue and capital funding streams. Grant Thornton have been appointed to undertake a pilot study to develop a delivery and funding model based on Bath City Riverside. The work will be overseen at Director level and monitored through BELG.

- **City of Ideas & Enterprise Area**

- Earlier in the year, the West of England Local Enterprise Partnership (LEP) determined that Bristol Temple Quarter would be given a new designation as an Enterprise Zone. This means Bristol City Council will need to produce a Local Development Order outlining how they will encourage business to locate there through relaxing planning rules. The Government will also offer a business rate holiday for new businesses starting in the zone and allow the LEP to retain business rates from new businesses. As part of this agreement 4 Enterprise Areas within the West of England have also been agreed. One of these is Bath City Riverside. This designation means that these areas will be the first to benefit from some of the financial gains from business rate retention accrued from the Bristol Temple Quarter Enterprise Zone. A MoU between the Local Authorities is currently being prepared to articulate exactly how this will work.
- Work has started to articulate the scope of the Bath Enterprise Area. Key activities have been:
 - Starting the development of a financial model to establish the overall viability of the Enterprise Area. This will be based on an examination of all available and potential funding mechanisms (e.g. Community Infrastructure Levy (CIL), New Homes Bonus, Tax Increment Finance, leverage, feed in tariffs etc). This work will start in September and report later in the year.
 - Work has begun on a Competitive Identity project with key members of the local business community to better promote the area as a business location. In addition the Council is about to award a contract to re-design the business facing website so that it promotes the district more effectively to businesses
 - Within the Enterprise Area Bath Western Riverside phase 1 will deliver climate change adaptation through flood alleviation measures, sustainable transport routes and a district heat grid ready to use when the first homes are occupied in January 2012

- On-going discussions are taking place with potential developers on key sites within the Enterprise Area.
- The Bath and North East Somerset Urban Regeneration Panel has discussed the Enterprise Area and put forward proposals for how it might work.

- **Keynsham**

- **Keynsham Business Association (KBA):** Consultation on the regeneration of the Town Hall site will begin on 23rd September 2011 and will run until 10th October 2011. Further information at www.bathnes.gov.uk/keynshamregen
- B&NES Economic Enterprise & Business officers are attending Keynsham Business Association monthly meetings to provide access to support partners and advocacy with the local authority in terms of local business needs and issues.
- Referrals have recently been made to the 'Improve Your Resources Efficiency' (IYRE) programme to deliver match funding for sustainable business practices.
- Keynsham Industrial Alliance (KIA): B&NES EEB officer supporting the setup of a industrial business association aimed at developing local procurement opportunities, access to business services, and increased Keynsham business – business services. A representative from the KIA will be attending the KBA monthly meetings.

- **Radstock**

- **Radstock Economic Action Plan:** See Council Connect article in autumn 2011 edition. This project aims to understand the key strengths and weaknesses of the local economy in Radstock and Westfield, and develop a series of locally owned actions designed to support businesses to start and grow and broader job creation in Radstock and Westfield. It will include a desk-top mapping exercise of economic data to develop a baseline position, (including: 1. Workplace and economic performance, 2. Business Stock, 3. Labour market supply and demand, 4. Employment land and premises offer, 5. Business support and FE provision) and a set of workshops bringing together key local organisations to present the findings of the economic research and identify interventions and develop an action plan.
- On the 12th September 2011 over 25 representatives from both Radstock & Westfield local businesses, political leaders and support partners met for a session covering a presentation on the economic makeup of the area, and breakout sessions aimed at informing the development of the economic development action plan.

- The first draft of the action plan will be taken to Cabinet in Sep/ Oct for sign off, after which a second public consultation will be undertaken to further help shape activity to best suite local business issues and needs.
- It is expected that the finalised action plan will be launched in January 2012.

- **London Road:**

- Following extensive recent local consultation on the issues and potential solutions for addressing problems in the London Road area, Council officers are now considering the activities which could form a Regeneration Action Plan, and the funding which is available / which may be necessary to take such activities forward.
- The Council owns the freehold of three buildings in the area – numbers 2, 3, and 4 Long Acre, which have the potential to contribute towards the wider regeneration of the vicinity.
- During July and August the Council invited Expressions of Interest from community groups and from the open market for numbers 3 and 4 Long Acre. Officers are now reviewing responses. Any decision on the future of these buildings by the Council will take fully into account the potential of these sites to contribute to the overall regeneration and community needs of the London Road, and the sustainability and deliverability of any proposal.

- **Midsomer Norton:**

- The Economic Regeneration Delivery Plan for Midsomer Norton was agreed by Cabinet in March 2011. This outlines the potential development sites within the town centre. Officers will be meeting with the Chair of Midsomer Norton Town Council with Councillors and other representatives within the next month to discuss future work on the proposals.

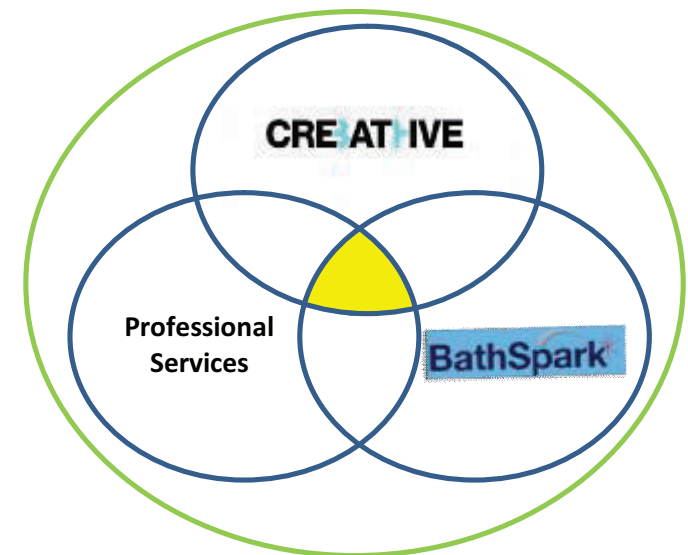
2.2. Economic Enterprise & Business Development – Overview

The Economy, Enterprise and Business Development Service responds to the Council's priority to deliver sustainable economic growth across Bath & North East Somerset. We do this by promoting employment sites, supporting business need, enabling businesses to start and grow and promoting B&NES as a place to do business. Ultimately the aim is to create more jobs for local people. The current economic climate makes this work particularly challenging, with latest UK figures showing slow growth and rising unemployment.

Sector Support

- **Creative Bath:** The Council is funding Creative Bath this year to deliver a set of networking, training and support events to creative firms. The network has over 1,000 individuals receiving its bulletins. The network recently launched its membership scheme. There are now over 200 paid-up members.
- **Creative / Digital economy:** We are supporting one of our most successful and important sectors of the economy by enabling the development of an integrated support ecosystem. The key elements of this will be continued support for Creative Bath and engagement with other emerging networks such as Bath Spark, to support innovation and the creation of new ideas, the creation of a professional and business services network linked to the creative networks to support business development and growth, and taking forward proposals for a creative/digital "hub" workspace for co-location of creative companies. This will provide a clear pathway of support for people starting and growing creative companies from start up to high growth within the district.

Professional . Digital . Creative . Bath



- **Low Carbon South West:** LCSW have signed a 12 month agreement to deliver a range of services to B&NES including a monthly business breakfast covering low carbon services, delivering a business support function for LCSW local members and 'Small & Medium Enterprises' (SME's), facilitating two low carbon conferences and promoting B&NES and its development sites to Low Carbon inward investors.
 - LCSW has recently been engaged with a local social enterprise, planning to set up a waste wood reclamation project.
 - Two low carbon business education/ support and networking events are planned for early 2012.
- **Visitor Accommodation:** There is currently significant interest in the development of additional hotels in Bath. The Visitor Accommodation Study set out a strategic approach to managing the expansion of hotel accommodation in the city and a report has been prepared for Cabinet, proposing consultation on the Study, prior to its potential adoption as Council policy. To compliment this, the Hotel Solutions consultancy have been appointed to :
 - critically assess current market interest from operators
 - identify the priority brands / offers that the Council should approach to promote on-going dialogue
 - develop promotional material and site specific information to attract and support dialogue with potential hotel operators and developers.
- **Business Liaison:** The economic development team meets and maintains contact with key growth sector businesses as well as local business networks.

Recent business visits to introduce the Council's work and to gain intelligence include Engineering / Defence; IT / Technology; Creative; Green tech / retrofitting.

Issues discussed at meetings include premises and growth issues; support required, skills issues, and so on. Requests for assistance are taken forward by economic development in consultation with other Council teams (e.g. property; children's services). Recent key meetings / events attended: BathSpark (technology network), Creative Bath summer event, Small Business Focus

networking event, Bath and Bristol Enterprise Network Advisory Group. Assistance given on formation of Keynsham Industrial Alliance (businesses on Broadmead Lane).

April – August 2011 the EEB team has attended over 45 business visits and networking events. This has included engaging with Ascentrix to support their apprenticeship development aims. Cross manufacturing where after undertaking a business liaison visit, UK Trade and Investment have been engaged to support export into India. Support for the development of the Small Business Focus – & B&NES Enterprise Club.

Business Support

- **Business Matters Website:** As part of the project to deliver a new website to promote the area as a vibrant business destination; promote local businesses, organisations and partnerships and attract new business opportunities to the area, a procurement exercise was undertaken to appoint a company to build the site in which over 40 applications were received. It is expected that an appointment will be made mid-September 2011.
- **Business and Property Enquiries:** Along with its business partner, GWE Business West, the Council received 540 business and, or property enquiries for the first quarter of 2011.
- **GWE Business West:** Monitoring of the 2011/12 SLA shows that in quarter 1 Business West provided advice to 500 pre-start and established businesses and recorded 43 new business starts and are currently on track to exceed the annual targets under the Agreement. We are continuing to work with Business West on the implications of the closure of the regional Business Link offices in November 2011 and how this will affect service delivery under the SLA. To assess the future priorities for business support an Evaluation Report is being commissioned which will look at the demand for and effectiveness of business support services and inform any continued Council support for service delivery.
- **Business Improvement District (BID):** The Bath BID has been in operation since April 2011. The Council has been collecting the levy on behalf of Future Bath Plus and collection rates have been extremely high. The business-led BID Board has been formed and

subgroups dealing with work programmes (for example, marketing and promotion) have also been established with a view to delivering bespoke projects to benefit the business community in the City centre. A number of projects are underway which benefit the city centre and businesses operating within the BID area, including a new team to enhance street cleaning; new promotional campaigns to support retail and leisure businesses for the Autumn / Winter period, and free advice on carbon efficiency for levy payers.

Connectivity

- **Broadband Delivery UK– (BDUK):** the Council is exploring with other West of England Authorities the potential to bid into government funding for funding to improve connectivity in the rural areas, which is being allocated via Broadband Delivery UK (BDUK). The Government has allocated the West of England £1.43m to improve broadband infrastructure; however, match funding is required from Council or other bodies in order to access this funding. British Telecom continues to roll out a programme of next generation fibre-to-cabinet speeds in areas of Bath, Midsomer Norton and Radstock. The Council is exploring with BT and other providers their plans for rollout in other areas of the District.
- **Casino:** There were 4 stage 1 applications received all of which were cleared to proceed to the next stage of the competition. The applications were for the Cattlemarket (2), Manvers Street and Sawclose sites in Bath. Stage 2 of the Casino Licence competition has commenced and applicants have until the 3rd October to submit proposals. The Council is in the process of appointing an Evaluation Panel to assist Council officers in assessing stage 2 proposals and producing a report for the Council's Licensing Committee in February 2012.

Economic intelligence

- **Local Economic Assessment (LEA):** This document provides an overall assessment of the health of the economy in Bath and North East Somerset. The 2010/11 document has recently been updated and will form the main evidence base for a review of the priority actions in the B&NES Economic Strategy which it is proposed to report to Council in November. The next major update of the LEA will be undertaken once the data from the 2011 Census is available.
- **Promoting Smart Growth:** Commissioned in conjunction with Planning Services the Smart Growth Report sets out the options and opportunities for achieving higher levels of sustainable economic growth in B&NES. The report has informed the Economic Strategy for B&NES, the “City of Ideas” growth agenda and the economic growth levels put forward in the Council's Core Strategy. The report’s recommendations are also helping to shape the sector and business support work being undertaken.

Redundancy Support

- **MOD:**
 - The MOD has now confirmed that all staff relocations from Bath to Abbey Wood in South Gloucestershire, affecting some 2,800 personnel, should be complete by March 2013. It is likely that the relocations will result in job losses arising partly from the associated closure of the three Bath MOD sites, existing MOD personnel seeking early release and the on-going Strategic Defence Services Review. In addition it is estimated that the moves will create up to 2,300 additional commuting movements each day.
 - The Council has expressed concerns over the economic and environmental impacts of these relocations and is seeking to address these and the future use of the three sites with the MOD through a Bath Sites Working Group. Officers are currently lobbying for a meeting of the Working Group in September to establish a joint working protocol and forward programme and to provide more detailed information on affected staff so more complete economic and environmental (transport) impact assessments can be carried out.

- **Welton Bibby Baron:** Despite trying to assist the company in helping to stay in the local area, Welton Bibby Baron, a major packaging manufacturing company based in Midsomer Norton, have announced to their workforce that they are looking at a new site in Westbury, Wiltshire as part of an expansion plan.

Welton Bibby Baron employs 300 people on their current site and although it may be too early to understand the effect this will have on the area, the EEB Team is working with WBB to ensure that impact on the workforce and any local supply chains are mitigated.

Engagement

- **B&NES Economic Partnership (Theme group for Local Strategic Partnership):** This group consists of key businesses, business networks and HE and FE along with the Council and supports the delivery of the Bath and North East Somerset Economic Strategy. This strategy was launched in 2010 and provides an overall vision and action plan for the economy. The Economic Partnership is in the process of being re-structured to ensure it can feed local intelligence into the West of England LEP and following the departure of a number of public bodies (e.g. The Regional Development Agency and Government Office South West) to broaden representation. Recent issues it has focussed on include broadband delivery, graduate retention and high growth support.
- **B&NES Initiative:** The Initiative, a joint initiative between the Council and the Chamber of Commerce, provides a forum for large employers in the area to meet together to support the Council in delivering its economic agenda. It provides a strong and supportive voice for Bath and North East Somerset into Government and at the West of England. The Council continues to support the Initiative in particular to consult with them on economic policy and delivery.

2.3 Local Enterprise Partnership (LEP):

- Following an invitation from Government in June 2010, the West of England Partnership submitted a proposal to Government to form a LEP covering the West of England area on 6th September 2010. On 28th October 2010 it was announced that the West of England was successful and should proceed with establishing its Board.

The purpose of the LEP is to support the delivery of sustainable economic growth and private sector jobs in the West of England. The role of the LEP Board is to:

- Co-ordinate the approach to economic growth by the private and public sector
- Identify opportunities and linkages across sectors for innovation, to maximise value from limited funding
- Facilitate opportunities for business and private sector organisations
- Influence government programmes and initiatives
- Engage in dialogue and lobby Government

The Board has agreed its priorities in three main areas: establishing a business focussed and joint working approach; removing barriers to business growth; and maximising the West of England's assets. The priorities will form the basis of a LEP business plan. Current priorities include:

- Supporting the submission to Government of the 5 West of England transport schemes
 - Supporting the development of the Enterprise Zone and Enterprise Areas
 - Supporting local bids to the Regional Growth Fund
 - Understanding broadband provision
 - Advocating on behalf of the sub region in Government
 - Agreeing a West of England inward investment strategy

The Council is actively engaged in the LEP through:

- Board membership by our Leader
- Leadership of the business theme of the LEP on behalf of the 4 Unitary Authorities by Development and Major Projects
- Active engagement with a series of sector sub groups (e.g. creative industries, low carbon, tourism etc.)
- Membership of the main project team supporting the board
- Membership of the small business group

Current Big Issue: Enterprise Area: Bath City Riverside

This central area of Bath has the development capacity to create the following:

1. Bath Quays North

Total Area – 27,340sq.m

An opportunity to provide an Innovation Hub

Up to 31,000sq.m of offices and 3,000sq.m of new leisure facilities

Creation of 1,750 jobs

Provide 9,000sq.m for modern city centre houses

2. Bath Quays South + South Bank

Total Area – 25,140sq.m

A High Value Office Development creating pedestrian links to the river and city centre

Up to 23,000sq.m of Offices and 5,500sq.m of Business Space

1,000sq.m of Leisure Facilities

Creation of 1,342 jobs

3. Manvers Street

Total Area – 14,450sq.m

Riverside Mixed-Use Development Quarter creating High Value Added Jobs

Up to 17,000sq.m of Modern Office Development and 2,000sq.m of Leisure

Creation of 983 jobs

4. Bath Press

Total Area – 21,510sq.m

A mixed use residential and employment led development

Up to 5,000sq.m of Business Space and a number of residential units

An opportunity for 3,300sq.m of convenience retail floorspace

Creation of 320 jobs

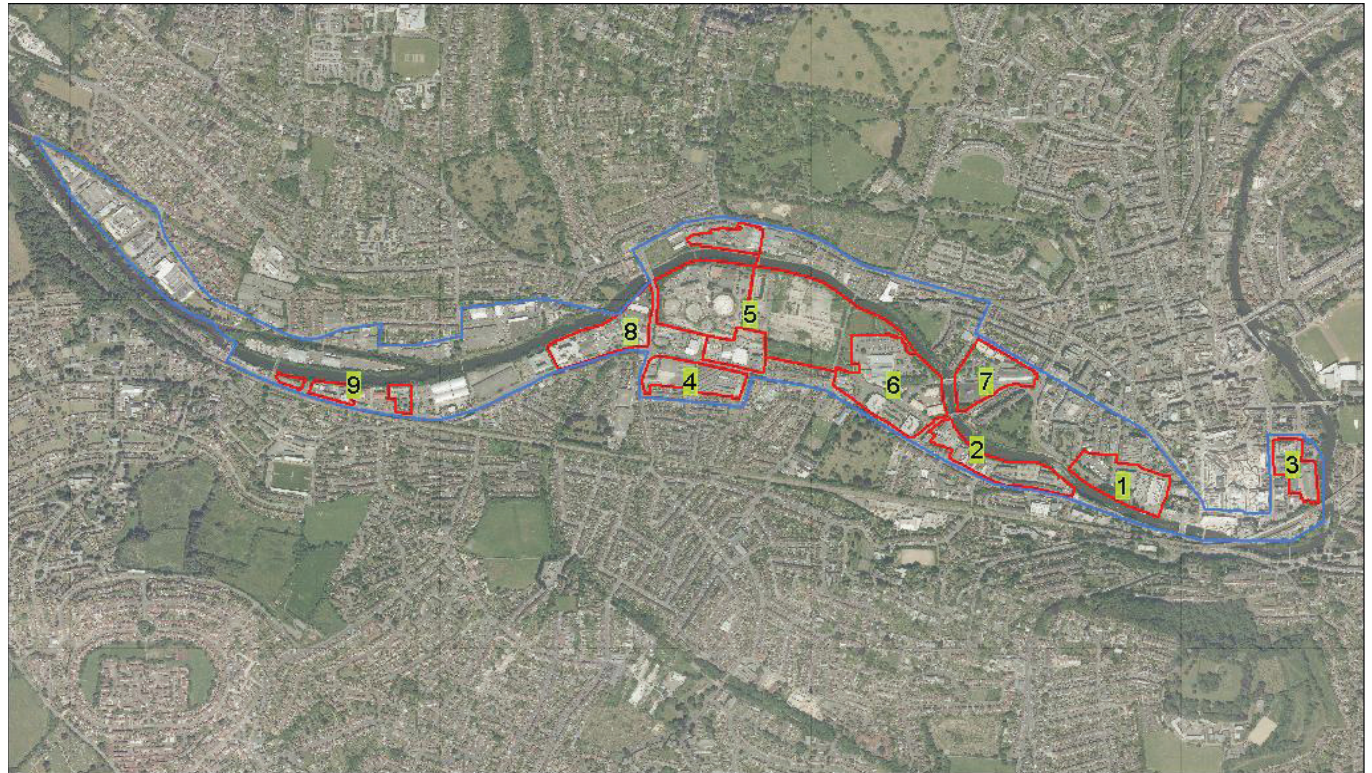
7. Green Park Station

Total Area – 24,200sq.m

Quirky Victorian Gateway

Potential for a 20,000sq.m hotel with conference facilities

Capacity for 3,500sq.m of retail and 3,000sq.m of A3 uses



5. BWR

Total Area – 147,000sq.m

Major residential development

Capacity for 173,000sq.m of residential units

5,000sq.m of Leisure facilities

8. Stable Yard Area

Total Area – 29,280sq.m

Up to 6,000sq.m of Retail Floorspace

Development capacity for 7,000sq.m of residential uses

6. BWR East

Total Area – 48,730sq.m

Modern Office and Retail Quarter

Up to 47,000sq.m of office floorspace and 7,000sq.m of retail floorspace

Capacity 5,000sq.m of leisure uses

Provide 26,000sq.m residential units

9. Carrs Mill Area

Total Area – 24,700sq.m

Mix of employment, office and retail development

Capacity for 7,000sq.m of employment floorspace and

7,000sq.m of modern office floorspace

This page intentionally left blank

2.4 Council Direct Projects

- **Keynsham Town Hall**
 - Gateway 3 (outline design) approved by the Workplaces Steering Group.
 - In accordance with OJEU procedures, a Prior Information Notice (PIN) has been issued for procurement of the contractor.
 - Works ongoing to arrange the public consultation, including literature and displays.
 - Meeting held with the Keynsham Civic Centre Community Focus Group to discuss the upcoming public consultation.
 - Consultation on the regeneration of the Town Hall site will begin on 23rd September 2011 and will run until 10th October 2011.
 - Further information at www.bathnes.gov.uk/keynshamregen

- **Radstock Public Infrastructure**
 - Tender documents have been issued to 5 shortlisted contractors.
 - Meeting with Radstock Town Traders took place during August 2011
 - TRO consultation deadline has passed and the decision will be taken at Cabinet 14th September 2011.

- **Southgate**
 - Station work have commenced and are to be delivered in 2 parts:
 - **Initial works:** Lift & Toilets
 - **Remaining works:** Excavation of ramp & completion of station environment including refurbishment of vaults works.
 - **Residential Accommodation:** Agreement has been finalised to extinguish existing lease and re-grant. Marketing expected to commence 2011.

- **Public Realm**

- **Preparatory Projects -City Info, Street Furniture & Pattern book**

- Currently awaiting client sign off on the enamel signage. FW Design are re-working the artwork for final presentation. Completion due December 2011.

- **High Street**

- Original Bath Transport Package proposals for High Street are now to be delivered as part of Public Realm & Movement Project.
- Design changes have been proposed to improve the Public Realm value of the original transport scheme
- Taxi solution has been reached where day time rank will be based at Bog Island and night time rank at Orange Grove.
- Construction works to commence October 2011.
- Planned completion April 2012.

Children's Services

- **Primary Capital Programme (Batheaston)**

- School is on programme.
- Completion date due November 2011.

- **Primary Capital Programme (Midsomer Norton)**

- Programme has been reviewed and School is now on programme.
- Under floor heating is now complete.
- September 2011 date agreed for build completion.

- **Primary Capital Programme (Weston all Saints Primary)**
 - Due to steelwork detailing programme was delayed, a revised programme has been put together with mitigation measures to rectify this and the School is currently on programme.
 - Contaminated land has been discovered, measures have been put in place for this to be removed safely.
 - Handover date due end October 2011.

- **Ralph Allen School Applied Learning Centre**
 - Feedback from Pre- application has now been received and a full planning application is now being prepared to be submitted September/October 2011.

- **Wellsway Sports Hall**
 - Consultation has been completed and local residents are now in support of the scheme.
 - Extensive visuals of the scheme have been carried out.
 - Localised parking for residents to be introduced going forward.
 - Planning Application submitted in July 2011.
 - Planning Application determination period of 13 weeks will now end near the October planning committee and not the September planning committee as previously targeted.
 - The Team are now looking to hold Contractor Interviews early September and complete the Tender Report (Gateway 5) end September 2011.

- **Oldfield School Bath**
 - School is on programme.
 - Planning submitted 13th July 2011 – decision has been delayed due to a possibility of alterations and a relocation of the building which would delay the project start date.
 - Tender return 19th August 2011 with a 3 week review period.
 - Contractor appointment anticipated 26th September 2011.
 - To enhance the landscape a small number of trees were removed and replanted elsewhere.

- **Radstock Schools**

- **St Nicks**

- Works to corridor and Assembly hall commence during the summer holiday's 2011.
- Children's Centre complete end of October 2011 for Children to move in for Half Term.
- Warnings remain on programme and relationships with the school remain good.

- **Trinity**

- Roof on programme.
- Early Years are looking to incorporate an extension to the building. Warnings Service Team are currently looking at the scheme and putting together costs. A new contract will be set up with Tender documents should it go forward.

- **BWR**

- Infrastructure contract is now in place, works are on programme.
- Residential units are ahead of programme, 95 units approaching completion of 1st phase, ready for occupation end Summer 2011.
- Contractor in discussions with Supermarket chain on removal on Gas holders. A proposal is expected to come to B&NES at a later date.

Bath & North East Somerset Council	
MEETING:	Housing and Major Projects Policy Development and Scrutiny Panel
MEETING DATE:	20 th September 2011
TITLE:	Delivering sustainable economic growth in B&NES
WARD:	ALL
AN OPEN PUBLIC ITEM	
List of attachments to this report:	
Appendix 1: Potential draft interventions	
Appendix 2: Current economic performance and future trends	
Appendix 3: The Story Executive Summary	
Appendix 4: Delivering future economic growth	
Appendix 5: Track record in supporting sustainable economic growth	
Appendix 6: Map of Bath enterprise area	

THE ISSUE

- 1.1 This paper sets out changes both to the economy and the Government's economic and finance policy since the publication of the Council's Economic Strategy 2010 – 2026, which impact on the support available to local people and businesses in creating and sustaining jobs. It is based on recent research published in May 2011 (see background papers section for link)
- 1.2 It requests input from the panel in developing policies and interventions that will support the delivery of sustainable economic growth in the District between 2011 and 2026 and lead to the creation of more local jobs. The panel's comments will feed into a Cabinet decision scheduled for November 2011
- 1.3 The format of this paper forms a potential skeleton of the Cabinet paper. Initial potential ideas for addressing the economic issues we face are outlined in Appendix 1
- 1.4 Key considerations are:
 - The Government's future model of financing, reducing the payments to Local Authorities from central grant allocations and increasing payment through incentives for achieving economic growth

- The risk that without intervention, at current levels of economic performance, we will not create the level of job growth that is planned for by the Core Strategy
- The area's current economic performance, which if continued into the future at current rates, indicates that not enough jobs, particularly of the target quality, will be created for local people
- The Localism Bill, which further strengthens the vital role of communities and locally elected representatives in achieving their own ambitions, rather than relying on central Government for solutions
- A significant reduction in national and regional support for business start up
- The role of the West of England and the emergence of the Local Enterprise Partnership for the area and the designation of the Bath Enterprise Area

2 RECOMMENDATION

The Housing and Major Projects Policy Development and Scrutiny Panel is asked to:

- 2.1 Input to the November 11 Cabinet Paper setting out the update of the Bath and North East Somerset Economic Strategy and recommending actions to support the creation of jobs for local people

3 FINANCIAL IMPLICATIONS

- 3.1 The paper is being drafted within the context of the current budget cash limits for 2012/13

4 THE REPORT

The following sections provide some context and a potential structure for the report to Cabinet in November. Further detail is contained in the appendices

Changes in Government policy

- 4.1 Over the past 12 months there have been significant changes in Government policy to support sustainable economic growth. These shift responsibility for delivering growth from national and regional Government to sub regional and local bodies
- 4.2 In March the Government announced its review of Local Government financing. In his announcement on 17th March, Eric Pickles MP, the Secretary of State for Communities and Local Government stated that *'the review will consider the way in which local authorities are funded, with a view to giving local authorities greater financial autonomy and strengthening the incentives to support growth in the private sector and regeneration of local economies. It will look at ways to reduce the reliance of local government on central government funding, increase local accountability and ensure that the benefits of economic growth are reflected in the resources authorities have.'*
- 4.3 This key shift in policy means Government expects local authorities to be far more active in supporting sustainable economic growth
- 4.4 Delivering this will be essential to maintain revenue levels as Government seeks to reduce local authority reliance on central government grant and provide revenue against growth. Moves towards this model can be seen in the implementation of the New Homes Bonus, the proposals for Business Rates Retention currently being formally

consulted by the Department for Communities and the designation of an Enterprise Area in the heart of Bath (resultant upon an Enterprise Zone in Bristol)

- 4.5 In addition with the closure of the South West Regional Development Agency and the end of the regional Business Link contract (and therefore free business start up advice sessions and workshops) emphasis is shifted towards local areas in supporting businesses
- 4.6 The implementation of the Localism Bill will ensure that local neighbourhoods are at the heart of any plans for local jobs growth, rather than interventions being imposed from elsewhere
- 4.7 This increasingly locally driven policy requires local responses. Potential actions are outlined appendix 1

Current economic performance and future trends

- 4.8 Appendix 2 sets out some detail on current economic growth trends
- 4.9 It summarises evidence from GWE Business West research, which shows that recent economic performance in Bath and North East Somerset has been reasonably smart (e.g. the work force has become more productive), but not very balanced (e.g. growth in jobs for Bath and North East Somerset residents has been below the regional and national averages)
- 4.10 This means the jobs created in Bath and North East Somerset have been good quality, but that overall not enough have been created to meet the skills profile and aspirations of residents
- 4.11 According to the Office for National Statistics Bath and North East Somerset will have an additional 11,000 resident adults of working age by 2026. Assuming current employment rates continue to 2026 (about 75% employment), an additional 8,250 jobs will be needed for these new Bath and North East Somerset residents
- 4.12 With appropriate interventions, of the sort proposed in Appendix 1, the Core Strategy ambition of a net increase of approximately 9,000 jobs is achievable. However based on the District's jobs growth performance over the past 10 years, without intervention only an additional 3,100 jobs will have been created by 2026. This would mean that, at the very least (as some of these jobs will be filled by in-commuters), around 5,500 residents will be forced to find a job outside the District
- 4.13 Overall, performance on jobs growth has not been the same everywhere. Some parts of the District have performed less well than others and this needs to be taken into account in any response. For example there are 12 wards out of 37 in the district which contain well over 50% of the total workless population (see appendix 2 for list)

4.14 The consequences of not addressing this jobs growth challenge could be:

- The Council could fail to benefit from the new local government growth incentives, particularly the new Business Rates Growth regime and find its resources reduced
- A reliance on areas outside of Bath and North East Somerset for future jobs growth
- Bath and North East Somerset could therefore have an increased dormitory role with higher levels of out-commuting and associated environmental impacts
- The out-migration of skilled and professional young people and a rapidly ageing workforce as a result
- A lack of growth in local daytime and early evening 'high street spend' and associated multiplier impacts
- Below average growth in workplace earnings and productivity
- Some communities fare disproportionately badly

Delivering future economic growth

4.15 The delivery of sustainable economic growth in Bath and North East Somerset is a key priority in the Council's Vision, the Sustainable Community Strategy, the Future for Bath, Keynsham and Somer Valley propositions, the Core Strategy, the Economic Strategy and the Economic Regeneration Delivery Plans. The rationale and story that underpins these long terms visions, strategies and policies is articulated in the draft document entitled 'Treasure and Transform – Our Route to Prosperity in Bath and North East Somerset'. A copy of the Executive Summary is attached at appendix 3 as context for this report.

4.16 Appendix 4 sets out the underlying strengths of the economy

4.17 In summary despite the recent trends of relatively weak overall job creation and a reduction in office accommodation highlighted in appendix 2, the revised Local Economic Assessment published in June 2011 sets out some real strengths of the area:

- A highly skilled workforce, with world class Higher Education provision focussed on growth sectors
- An established, but light touch, local business ecosystem supporting new businesses
- Clusters of highly productive businesses, many of them identified as key sectors in driving the UK's economic recovery
- Public sector and tourism jobs providing a backbone to the local economy and a steady flow of income somewhat protected from recession and international competition
- Once they start, very good business survival rates indicating a strong underlying economy
- Nationally and internationally known destinations

Potential future actions

4.18 In order to address the challenges in appendix 2 and build on the strengths above, the following are potential areas around which to develop an action plan:

- Ensure the District has an attractive profile and strong competitive identity to attract inward investment in accordance with the Bath and North East Somerset Economic Strategy (this is the Competitive Identity project)
- Ensure there is a regulatory, finance and support environment which enables existing businesses to develop and grow
- Ensure there is sufficient and appropriate employment space available for local job creation, building on the opportunity of the Bath Enterprise Area but also focussed on local neighbourhoods outside Bath
- Ensure there are sufficient and appropriate homes built to provide accommodation for people taking up these new jobs as set out in the Core Strategy, including university graduates
- Ensure that the transport, communications and cultural infrastructure supports the delivery of the above
- Continue to build an effective business support environment, by supporting key sectors and the universities
- Create and support an integrated network of networks in our key growth sectors

4.19 Further detail on potential actions are set out in appendix 1 for discussion

Track record

4.20 The Bath and North East Somerset Economic Strategy was published in 2010

4.21 Appendix 5 shows the key projects that have been delivered since then demonstrating the Council's ability to make a difference on this agenda and providing a basis for activities going forward

Conclusion

4.22 The three pillars of sustainable development are economic development, social development and environmental protection. To deliver sustainable development these need to be integrated together into coherent strategies

4.23 The current challenging economic climate and the reduction in public sector funding for business support make it difficult to create the jobs local people need and take forward economic development

4.24 However there are interventions which can address this challenge and the Council's track record, set out in appendix 5, shows we are well placed to meet them

5 RISK MANAGEMENT

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

6 EQUALITIES

6.1 The impacts of the recession have hit some communities harder than others as indicated in Appendix 2

6.2 The Local Economic Assessment highlights which communities these are, both in terms of places and particular groups

6.3 Any actions taken forward will be assessed to ensure that they mitigate against these impacts

7 CONSULTATION

7.1 Cabinet Member; Other B&NES Services; Bath and North East Somerset businesses; Chief Executive; Monitoring Officer

7.2 Consultation has been via circulation of the report and comments received. In addition over the coming months the Bath and North East Somerset Economic Partnership and the Local Enterprise Partnership will be consulted as the process proceeds

8 ADVICE SOUGHT

8.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) will have had the opportunity to input to the cabinet report when it is prepared for publication

Contact person	<i>John Wilkinson x 6593</i>
Background papers	<p><i>Smart Economic Growth for B&NES, GWE Business West, May 2011 available on the Council website at:</i></p> <p>http://www.bathnes.gov.uk/SiteCollectionDocuments/Environment%20and%20Planning/Planning/planning%20policy/June2011/C4-D4-E10%20Smart%20Growth%20Report%20FINAL%20June%202011.pdf</p> <p><i>The Bath and North East Somerset Economic Strategy 2010 – 2026 can be found at:</i>http://www.bathnes.gov.uk/SiteCollectionDocuments/Business/Economic_Strategy.pdf</p>
Please contact the report author if you need to access this report in an alternative format	

Appendix 1: Potential draft interventions

In order to tackle some of the challenges outlined in appendix 2 and build on our existing economic strengths outlined in appendix 4 the following could form the basis for the Council's activity in support of a sustainable economy:

a. Economic, Enterprise and Business Development

To create more jobs for local people, the following potential interventions could help to ensure that we are in a position to attract and encourage new businesses to the District and support local business growth and attract investment. Potential areas of activity include:

- Maintaining our support for networking opportunities for our high growth sectors such as creative, high tech manufacturing, low carbon and business and financial services, ensuring the benefits are spread across the district
- To provide a physical base for clustering continuing to take forward plans for a Creative/Tech hub for Bath to encourage innovation in one of our strongest sectors as well as support for more locally based hubs in places like Radstock, Midsomer Norton and Keynsham
- Given the end of the regional Business Link contract in November 2011, strengthening our provision of general start up advice for people wanting to start-up businesses, including social enterprises, delivered in local centres
- In order to ensure connectivity for our businesses continuing to develop plans to provide super-fast broadband for communities across the district not served by the market, particularly in our rural areas
- Continuing to ensure that we have the best possible economic information about our communities, in a way that is accessible to local people
- We could make the most of our highly productive workforce to nurture future talent in Bath and North East Somerset by providing opportunities for existing entrepreneurs to mentor and invest in new and emerging businesses, particularly graduates from our local Universities
- Continuing to work with the Bath and North East Somerset Environmental Sustainability Partnership to promote the business case of a low carbon economy

b. Sustainable Development (regeneration delivery)

To ensure that there are spaces for new businesses that we attract the following potential interventions could help to ensure an adequate supply of employment space. Potential areas of activity include:

- Supporting the delivery of the Bath Enterprise Area and other Bath sites by using the full range of finance options and incentives available to the Local Authority to bring development forward and attract businesses to the area.

- Prioritising bringing forward key development sites in Keynsham and the Somer Valley to provide employment space, including the development of supportive perception and investment activity to support their existing strengths. Evidence suggests these are manufacturing and construction in the Somer Valley and distribution, manufacturing and business services in Keynsham
- To ensure people can access jobs in key development sites continuing to support the development of a sustainable transport strategy
- Supporting local communities to develop their own regeneration action plans for neighbourhoods where communities feel there are particular opportunities to create jobs and grow businesses, through for example the use of assets to develop local incubation units
- Continuing to ensure that key enabling infrastructure is in place to facilitate sustainable economic growth (e.g. new road scheme in Radstock, removal, replacement and mitigation of Windsor Gas Station and provision of flood mitigation for the River Corridor sites in Bath)
- Ensuring the district remains an attractive place for people and businesses we could continue to support public realm improvements across the area

c. External relations

To ensure the area is telling its economic story effectively and competing on a West of England and national scale the following potential interventions could help us to sell the benefits of Bath and North East Somerset effectively and make the most of opportunities that arise. Potential areas of activity include:

- Continuing to resource our active engagement with and influence on the West of England Local Enterprise Partnership to ensure a strong voice in the sub region and nationally
- Actively promoting Bath and North East Somerset as a place to do business through a redesigned business matters website, marketing materials and active engagement with target markets enhancing our competitive identity
- Ensuring that we have a compelling economic story and vision which we can use to support applications for Government funds (e.g. the Regional Growth Fund)
- Developing a Competitive Identity

d. Housing Delivery

This focuses on potential interventions that will ensure we build sufficient houses to accommodate future jobs growth. Potential areas of activity include:

- A continued focus on bringing forward the key housing sites in the District, including the MOD sites, Somerdale, BWR, Alcan, K2, Polestar and the railway land in Radstock

Appendix 1: Potential draft interventions

- Delivering 35% affordable housing on new developments in Bath and North East Somerset working closely with registered providers
- Actively monitoring housing delivery through a dashboard to facilitate a proactive approach and ensure we achieve Core Strategy targets

This page is intentionally left blank

Appendix 2: Current Economic Performance and future trends

Summary

- 1. Job productivity has improved over the last 10 years by 2.2% compared to 1.49% nationally**
- 2. However only 3,000 have been created for local residents over that period proportionately below the South West Local Authority average**
- 3. There has been a loss of office accommodation of about 3% per year**
- 4. At current rates future growth trends are not positive in relation to creating enough jobs for the resident population**
- 5. Some areas in the District have performed less well than others for example Twerton, Southdown, Radstock, Abbey, Keynsham North, Kingsmead, Combe Down/Foxhill, Keynsham South, Odd Down, Walcott, Peasdown and Walcott.**

What is the growth challenge?

- 1.1 As with most local economies, Bath and North East Somerset has the long term economic challenge of ensuring a competitive local workplace economy which will provide sufficient volumes and types of additional job opportunities (and employment space) to meet the requirements of the expected growth in its working age population.
- 1.2 This includes creation of more, higher value jobs while not neglecting the need to provide lower skilled jobs to ensure there is suitable employment for the whole community. A growth approach such as this can be referred to as “Balanced Growth”
- 1.3 ‘Smart economic growth’ represents a growth approach which enables a local economy to maximise its workplace output growth, whilst minimising the use of the key economic resources of labour and housing and additional employment floorspace and transport.
- 1.4 Balanced and smart economic growth goes a considerable way towards the achievement of sustainable economic growth because it is a growth approach which attempts to minimise additional commuting, whilst at the same time maximising output from limited resources available.

How are we doing?

- 1.5 Over the past 10 years the Bath and North East Somerset workplace economy grew reasonably well in overall economic output terms. Between 2001 and 2011 workplace Gross Value Added rose by 2.2% putting the

District 4th amongst the 15 principal South West Authorities. In fact, its overall economic growth performance was considerably higher than the South West region as a whole, which grew by 1.52% and the UK, which grew by 1.49%.

- 1.6 This is backed up by performance per Full Time Equivalent (FTE) worker, where productivity increased from around £36,400 in 2001 to £43,400 in 2011, ranking Bath and North East Somerset 3rd out of 15 South West authorities and much higher than the South West and UK average for the period.
- 1.7 This economic growth has however been mainly fuelled by improved productivity rather than jobs growth in the area. In contrast to productivity gains, Bath and North East Somerset is ranked 9th out of 15 South West Authorities for the number of jobs created between 2001 and 2011 up from 74,000 to 77,000. This ranks it below the South West region and the UK averages over that period for the number of jobs created.
- 1.8 These relatively low levels of job creation are backed up by similar performance in the development of office floorspace. Between 1998 and 2008 Bath and North East Somerset suffered a net loss in office space equivalent to around 3.19% per annum. Similarly, while there has been a small net increase in factory and warehousing floorspace, the overall performance ranked the area 9th out of 11 authorities measured in the South West and just over 50% of the regional average performance.
- 1.9 Recent economic performance in Bath and North East Somerset has therefore been reasonably smart (e.g. the work force has become more productive), but not very balanced (e.g. growth in jobs for Bath and North East Somerset residents has been below the regional and national averages)

What are the future trends?

- 1.10 In June 2010, forecasting undertaken by Oxford Economics Ltd showed that if future performance continued at current levels, Bath and North East Somerset economic growth would track below both national and regional performance by around 0.4 percentage points per annum. Another recent projection for spring 2010 carried out by Experian Business Consulting also shows a significant, though slightly smaller, gap between expected performance of Bath and North East Somerset and South West economies.
- 1.11 According to the Office for National Statistics Bath and North East Somerset will have an additional 11,000 resident adults of working age in 2026. Assuming current employment rates continue to 2026 (about 75%), there will

be an additional 8,250 jobs needed for Bath and North East Somerset residents

- 1.12 With appropriate interventions, of the sort set out in Appendix 1, the Core Strategy ambition of a net increase of approximately 9000 jobs is achievable. However based on the District's jobs growth performance over the past 10 years, without intervention only an additional 3,100 jobs will have been created by 2026. This would mean that, at the very least(as some of these jobs will be filled by in-commuters), around 5,500 residents will be forced to find a job outside the District
- 1.13 In addition the skills profile of the Bath and North East Somerset resident workforce presents a further problem. The district has one of the most highly educated resident workforces among the principal authorities in the South West. They require skilled and professional jobs in the local area as a result. Without this they will travel outside the area to find suitable employment or take lower skilled jobs within the area. It is likely that a good proportion of these new jobs will be filled by lower skilled in-commuters and as a result 5,500 additional out commuters is likely to be a minimum scenario
- 1.14 Given the Government's intended approach to future funding of Local Authorities, low levels of jobs growth (which can come from new business growth) will impact on revenue generated and therefore the ability of the Council to provide the services its communities deserve

Has performance been uniform across the District?

- 1.15 Overall figures can also often hide more local issues. For example the latest figures show that there are just over 8,700 people in Bath and North East Somerset claiming key out of work benefits. There are 12 wards (out of 37)in Bath and North East Somerset which contain well over 50% of the total workless population. These are Twerton, Southdown, Radstock, Abbey, Keynsham North, Kingsmead, Combe Down/Foxhill, Keynsham South, Odd Down, Walcott, Peasdown and Walcott. This shows that there are some local areas in Bath and North East Somerset which have performed less well than others as a result of the relatively low levels of local job creation across the District.
- 1.16 It is also important to make sure local information is assessed to understand what the main issues are in different places. For example while overall, there have been productivity gains, for some communities these gains have been less significant andthe key issues to address are low skills and wages. For example recent analysis of the economy in Radstock and Westfield shows that it has below average productivity and therefore household income much

lower than the Bath and North East Somerset average. It also has a much higher proportion of residents with no skills than the District average

TREASURE AND TRANSFORM

Our route to prosperity in Bath & North East Somerset

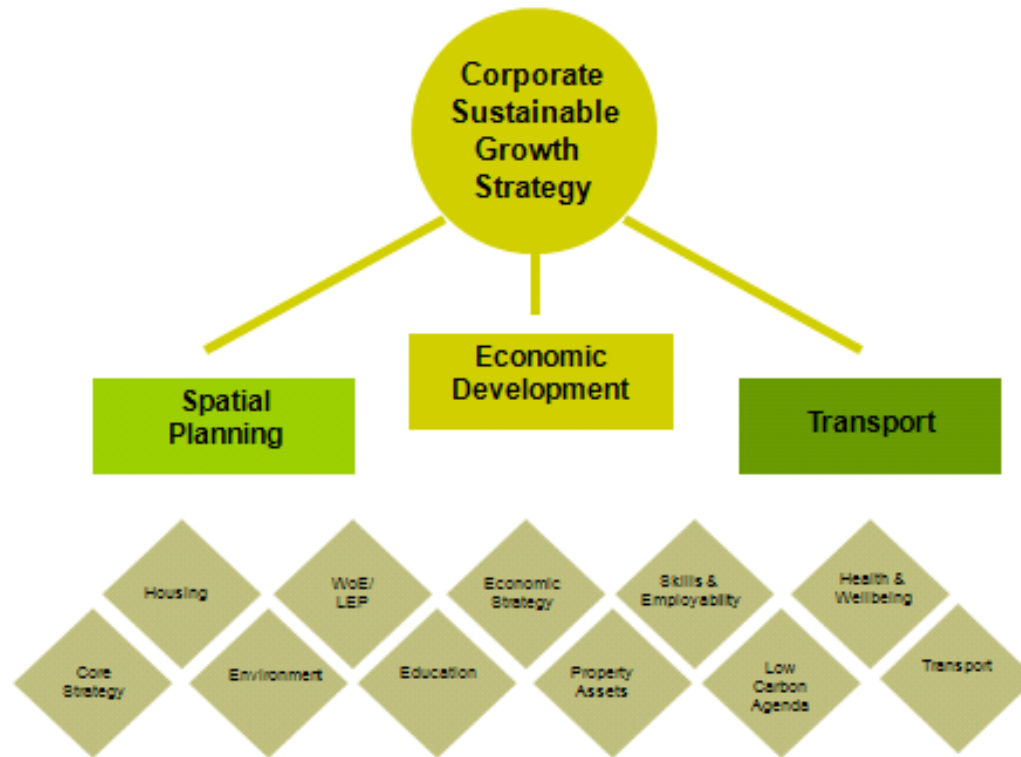
EXECUTIVE SUMMARY *DRAFT*

PREFACE:

The 'Treasure and Transform' story summarised within this document:

- celebrates the people and places we treasure in Bath & North East Somerset;
- identifies the social, economic and environmental challenges we face;
- presents our long-term vision, strategy and delivery plan to transform the vitality and prosperity of the district.

This work is underpinned by the knowledge that Bath and North East Somerset needs sustainable economic growth in order to secure the future wellbeing of its people and places. The delivery of sustainable economic growth is, therefore, one of the Council's highest priorities and drives a range of policy-making and service delivery activities.



PART ONE: TREASURE

1. TREASURE: BATH & NORTH EAST SOMERSET

1.1 Introduction

Bath and North East Somerset (B&NES) is treasured for its outstanding physical, environmental, cultural and human assets. The District comprises the city of Bath, a UNESCO World Heritage Site; the three historic market towns of Keynsham, Midsomer Norton and Radstock; a network of rural villages; and a significant area of countryside including two Areas of Outstanding Natural Beauty (AONB). This combination of urban and rural living contributes to an exceptional quality of life.

1.2 Challenges

While B&NES has many compelling strengths, its outward image conceals a range of economic, social and environmental challenges that, left unchecked, will lead to long-term decline and increased levels of inequality.

B&NES-wide challenges include:

- **Economy**

Addressing the impact of the economic downturn, including pressures on the delivery of public services. When compared with the rest of the region, B&NES has seen a decline in the retention of office space and industrial floor space resulting in relatively low levels of job creation ranking B&NES 9th out of

15th in the South West

- **Growth**

We need to ensure that the economy and the level of housing grow proportionally with the level of expected population growth to secure a sustainable future. In recent years the delivery of office floor space and housing units (including affordable housing) has fallen below B&NES policy targets and the rates of growth in the South West and England as a whole, resulting in competing towns and cities taking economic growth from B&NES.

- **Infrastructure**

We need to secure major investment in transport infrastructure, including high-quality public transport, to enable the development of key employment and housing sites and unlock economic growth. We also need to secure investment in broadband infrastructure to support urban and rural businesses, as well as in social infrastructure and green infrastructure to support the health and wellbeing of our communities.

- **Demographic change**

The Office for National Statistics predicts that the total population of B&NES will increase by 12% to 199,000 by 2026. Life expectancy is due to rise resulting in an ageing population and increased pressure on social budgets. Although the working age population is predicted to increase, without intervention, the total number of jobs will not increase at the same rate resulting in a shortfall of jobs for local residents.

- **Inequalities**
Some parts of Bath and North East Somerset are among the most deprived 20% in the country, with inequalities in health and life expectancy. We need to maintain high quality care for vulnerable people in a climate of reduced public sector resources.
- **Locality**
The Government's Locality Bill aims to devolve power to a diverse range of groups and organisations, which will demand new service delivery solutions that reflect the capacity of local communities. We must also enable more local food production and sustainable local energy production.
- **Climate change**
Addressing high carbon lifestyles, when fuel resources are becoming scarcer and more expensive, including the impact of 'peak oil'.
- **Changing Role of the Public Sector**
The comprehensive spending review sets out real terms reductions of 30% in local authority budgets over the next four years across the Country. B&NES Council plans to achieve a £38m reduction in annual spending by 2014/15.

1.3 Potential

While the scale of these challenges can not be underestimated, we are fortunate that B&NES is an area rich in potential. This includes:

- **Social potential**
Based on our strong and engaged communities, local partnerships, active cultural life, well-qualified workforce and impressive attainment levels in education.
- **Economic potential**
Based on the attractiveness of the area as a place to live and work, our proximity to London and Bristol, our universities and colleges, our existing businesses, our human resources and our physical capacity for growth.
- **Environmental potential**
Based on our remarkable combination of built and natural landscapes, we have the potential to become an international exemplar of self-sustaining, low carbon urban and rural living.

2. TREASURE: BATH

2.1 Introduction

Bath is one of the most beautiful cities in the world.

The entire city was inscribed on UNESCO's list of World Heritage Sites in 1987, placing it alongside sites such as the Grand Canyon in the USA, Machu Picchu in Peru and the Pyramids in Egypt. Identified by UNESCO as 'a masterpiece of human creative genius', Bath has attracted talented and imaginative individuals throughout its history who have shaped its evolution as a place.

Today the city is a successful international visitor destination, an historic and contemporary spa, a festival city, and a regional shopping centre offering an impressive array of cafes, restaurants and cultural attractions. The city is also famous for sporting excellence, including Bath Rugby Club and the University of Bath Sports Training Village.

2.2 Challenges

Bath faces a range of challenges including:

- Traffic congestion and air pollution
- Increased competition from other cities and towns
- Low wage economy
- Pockets of deprivation
- Reliance on public sector jobs
- Lack of modern workspace
- High house prices and a shortage of housing

- Decline in the quality of the public realm and a neglected riverside
- Fragmented parts of the city centre and some surrounding neighbourhoods disconnected from the city centre
- Negative perceptions as a place to develop
- Weak evening economy
- Young people leaving, including poor student retention
- Constraints imposed by World Heritage Site status.

2.3 Potential

While Bath enjoys a strong reputation as a world-class heritage and tourism destination, many would be surprised to learn that the city is also a growing centre for 21st century creative and hi-tech industries. In 2010, NESTA (the National Endowment for Science Technology and the Arts) identified Bath as a top-ten UK hub of innovation and creativity. Existing strengths and growth potential include:

- World class technology and architectural engineering
- Creative businesses
- Low carbon and environmental technologies and services
- High level of professional business services
- Two outstanding universities
- Bath Innovation Centre
- Spa, health and wellbeing
- Other successful established businesses eg manufacturing and financial services.

With the required investment in enabling infrastructure - transport, flood mitigation and broadband, through its 'Enterprise Area' (see pages 8 and 13), Bath also has the potential to unlock physical development on a range of sites across the city centre.

3. TREASURE: THE MARKET TOWNS

3.1 Introduction

The market towns of Keynsham, Midsomer Norton and Radstock all have a proud and distinctive history and strong, active communities that make a significant contribution to the life and character of the District.

3.2 Challenges

Local challenges facing the three market towns include:

Keynsham

- Retaining an independent identity
- Attracting new businesses and creating new jobs
- Competition from out-of-town retail parks such as Longwell Green
- Providing high-quality retail space
- Improving public transport provision
- Improving streets and public spaces
- Adapting positively to the loss of Cadbury's Somerdale factory
- Improving the quality of buildings in parts of the High Street.

Midsomer Norton

- High levels of out-commuting to Bath and Bristol
- Poor road infrastructure
- Pockets of deprivation
- Lack of high-quality modern retail and business premises.
- Potential for town centre improvements

- Some decaying buildings and inappropriate modern replacements
- An economy with too few employers
- Competition for town shops from an out-of-town superstore
- Recent loss of major employers, such as Alcan

Radstock

- Over-reliance on some big employers
- Limited employment opportunities
- Lack of good quality retails and business premises
- High level of out-commuting
- Levels of obesity 7% higher than B&NES average
- 11.5% of working-age population on out-of-work benefits (B&NES average 7.5%)
- Lower percentage of graduate-level residents than the rest of B&NES
- Traffic congestion at peak hours
- Small, fragmented town centre
- Poor quality of town centre streets and public spaces
- Lack of new housing in the town centre
- Emerging evidence of increasing deprivation
- Unemployment particularly in young adults

3.3 Potential

All three market towns have the potential to broaden and enrich their appeal as distinctive and attractive communities where people aspire to live and work.

Physical capacity for growth includes:

Keynsham

- Cadbury's Somerdale – an international development opportunity comprising 640 acres of land
- Town Hall and Riverside
- Southwest Keynsham housing capacity
- Improved and strengthened High Street

Midsomer Norton

- The High Street and Hollies area
- South Road Car Park
- Old Mills
- The former Alcan Site

Radstock

- Former railway land
- Waterloo Road
- Library site
- Frome Road

In addition, the countryside surrounding the market towns offers opportunities for the development of the rural economy, of green infrastructure and the potential for the entire B&NES area to build a more self-sustaining future.

4. TREASURE: THE WEST OF ENGLAND

4.1 Introduction

B&NES forms an important part of the West of England sub-region. In addition to our District, this area combines the city and regional centre of Bristol, the coastline, towns and countryside of North Somerset and the district of South Gloucestershire. The area benefits from excellent transport links to London, the Midlands, the South West and South Wales by rail and road (M4/M5). The Port of Bristol is one of the most productive and technically advanced in Europe and is about to expand further and Bristol International Airport is also set for expansion.

In the autumn of 2010, the West of England area was one of an initial round of 24 areas granted with Local Enterprise Partnership (LEP) status. Recognised as one of the most competitive major city regions in England, the Prime Minister recently named the West of England LEP as one of four key areas for growth in the UK.

Following the abolition of the Regional Development Agencies, the LEP, a private sector led partnership between the local authorities and businesses, will play a key role in promoting local economic development. They will drive economic growth and provide a means for the public and private sector to work together in order to quicken the economic recovery.

4.2 Challenges

Key challenges facing the sub-region include:

- Investment in infrastructure

- Employment land capacity
- Provision of skills
- Lack of modern workspace
- Inequalities
- Housing growth
- Connectivity
- Interaction between academia and commerce
- Maintaining flexibility to meet future challenges and innovations

4.3 Potential

The West of England Local Enterprise Partnership area is of sufficient scale to compete on a European basis. Its remarkable potential includes:

- Its reputation as an internationally recognised centre of academic excellence and a world leader in a range of knowledge-intensive sectors including:
 - Digital and creative industries
 - Green technologies and services
 - Advanced engineering (including aerospace), science and technological innovation.
- Hosting the biggest cluster (Bath and Bristol) of silicon design companies in the world outside of California. It is also one of six Science Cities and the UK's first Low Carbon Area.
- Physical capacity for growth including the delivery of the Temple Quay Enterprise Zone area and four Enterprise Areas including the Bath City Riverside 'City of Ideas'.

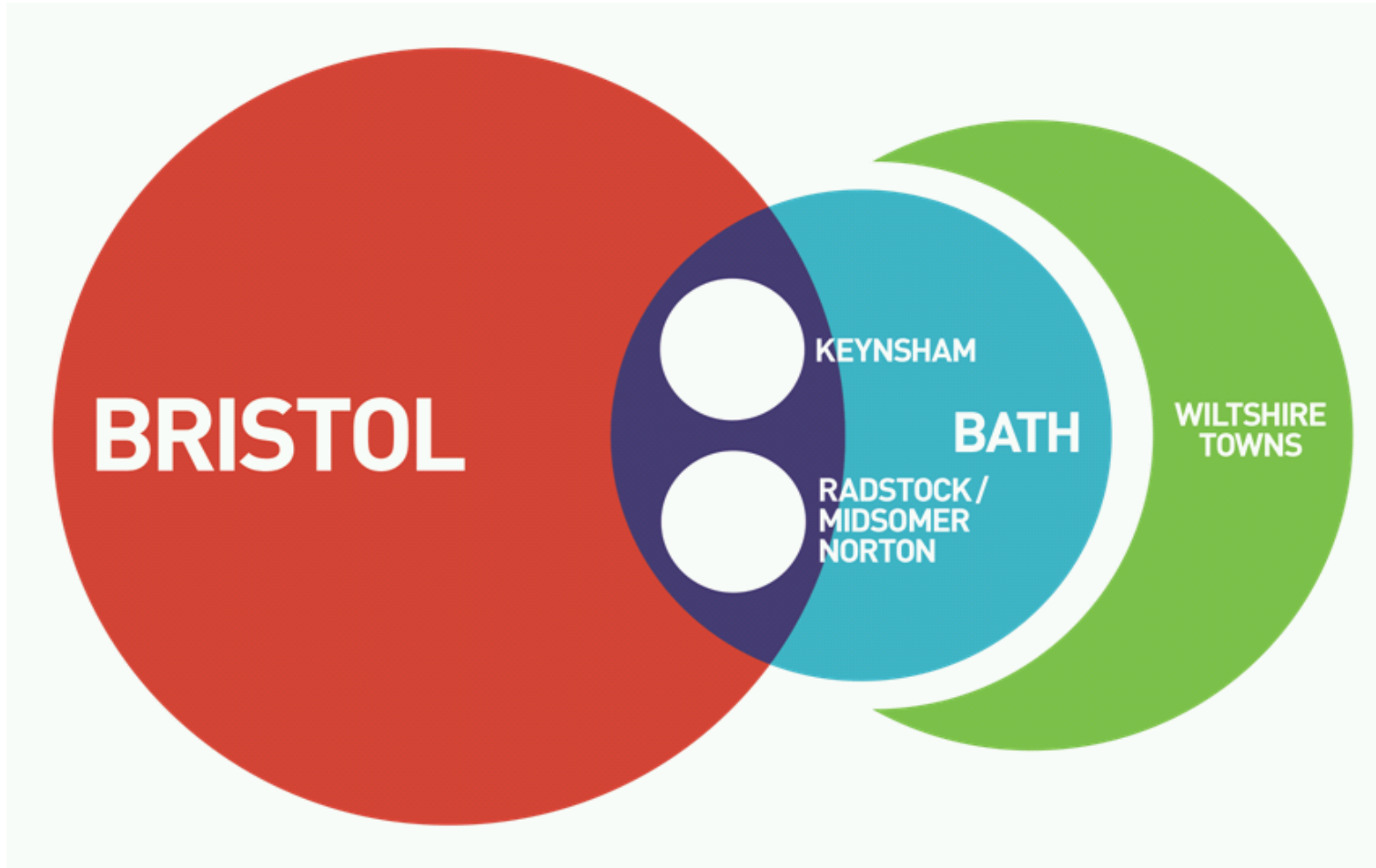
- Recent formation of Local Enterprise Partnership (LEP) provides potential for dynamic and strategic leadership.
- There are few areas in the United Kingdom outside of London that are better placed than the West of England to lead the UK out of recession.

4.4 B&NES in the West of England

As a result of our outstanding combination of heritage and culture, international reputation and exciting new industries, B&NES has the potential to play an active and influential role in the future growth, reputation and success of the West of England LEP.

We have much to contribute to and gain from this relationship. In particular, the cities of Bristol and Bath have the opportunity to co-exist and complement each other like a binary star system. While Bristol's status as 'primary star' and Bath's as 'companion star' is acknowledged, this should not prevent Bath from maintaining a strong, unique identity as other co-located cities of differing scales e.g. San Fransisco and Palo Aalto in California, successfully demonstrate.

Indeed, it is essential that a complementary relationship between Bristol and B&NES and the West of England is based on the clarity, strength and confidence of each partner, so one isn't lost in the gravitational pull of the other. This requires B&NES to articulate a clear vision, identity and direction to determine its future role within the West of England.



According to Government research, the presence of strong functioning networks and partnerships is a critical success factor in supporting high value sectors. The connectivity between the Temple Quay Enterprise Zone and Bath Enterprise Area will therefore be vital in creating sustainable economic growth – through this ‘economic corridor’, we will be able to create a business destination where high value businesses can locate and grow.

PART TWO: TRANSFORM

5. TRANSFORM: VISION

5.1 The Future for Bath, Keynsham and the Somer Valley

The Council developed its 'Future for Bath, Keynsham and Somer Valley' economic and place-making visions in consultation with a wide range of local, regional and national stakeholders between 2005 and 2007. The visions sought to revitalize Bath and the three market towns, inspired by the DNA – the distinctive character, values and spirit - of each place. This work was independently challenged and tested through a professional business planning process, which began with the Ernst & Young B&NES business plans of 2006.

The Futures work actively contributed to the development of the B&NES Sustainable Community Strategy, published in 2009.

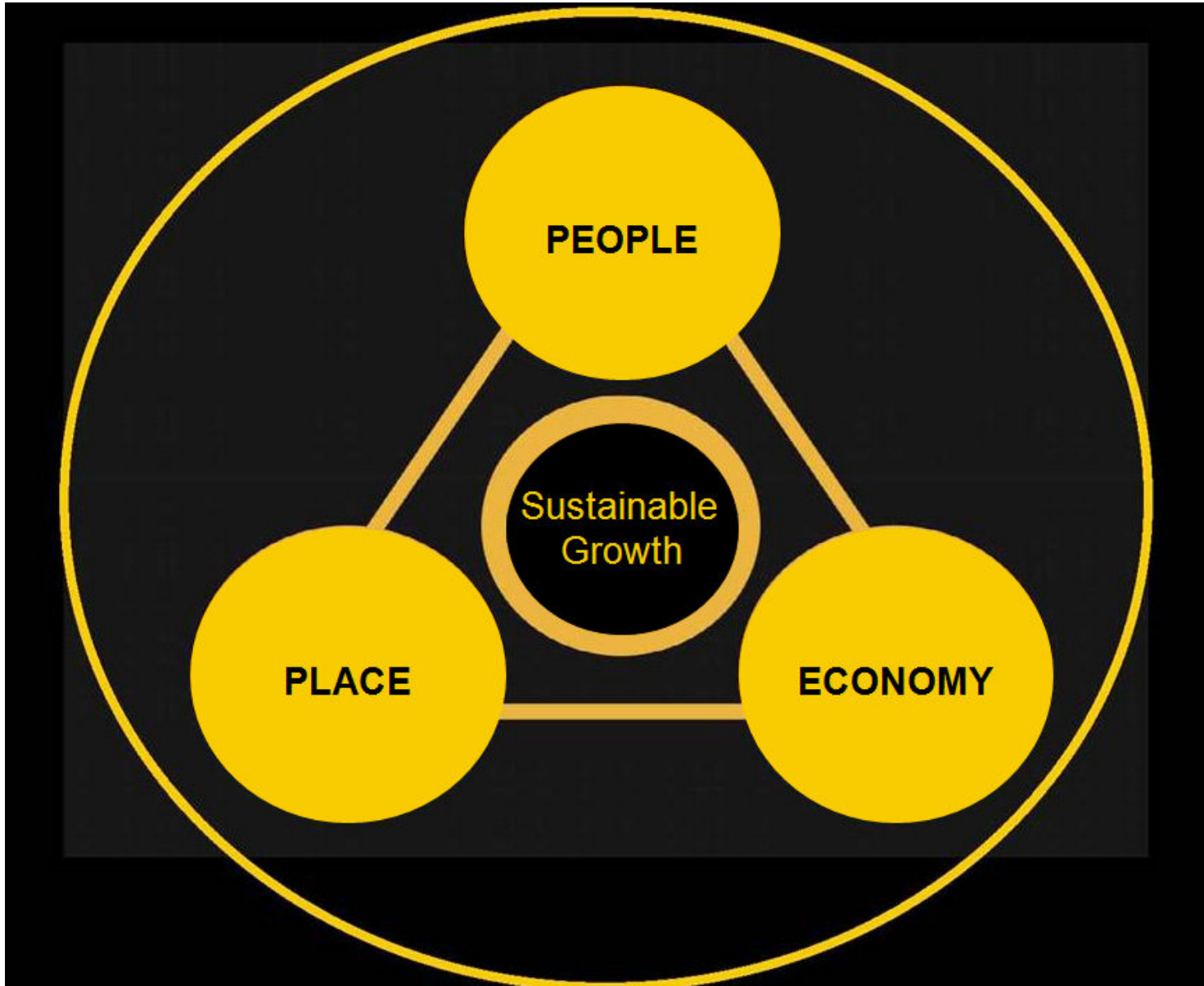
5.2 Vision for Sustainable Growth

Our long-term Vision for sustainable growth in B&NES focuses on the three tenets of **PEOPLE, PLACE** and **ECONOMY** and seeks to realise the following key objectives:

- **Locally distinctive, globally connected:**
B&NES area is rich in character, synergy and potential – we must build on and re-energise the strengths, distinctiveness

and connectivity of our places so they can support and benefit each other.

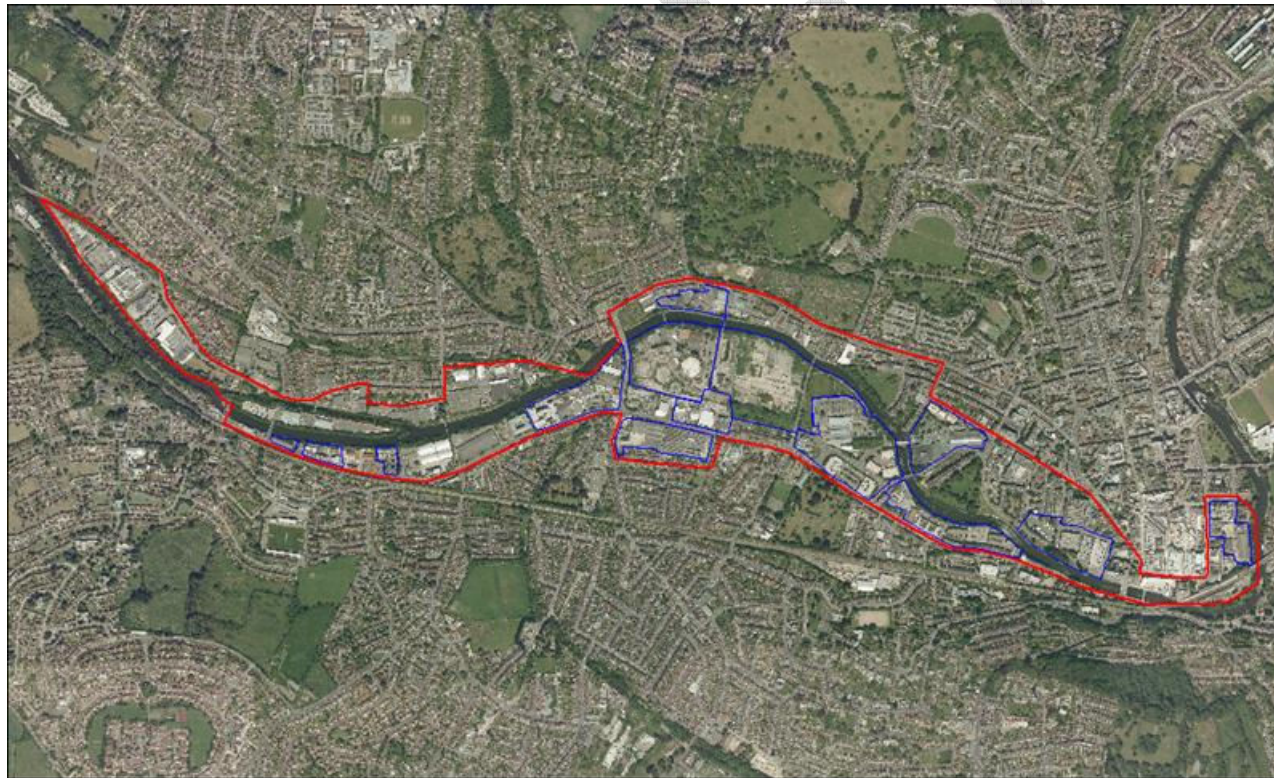
- **B&NES as a model of sustainable, low-carbon living**, including increased local food and sustainable energy production.
- **Stimulate sustainable economic growth** with the maximum benefit for local people and minimum environmental impact.
- **Invest in infrastructure** including better public transport to ease congestion, reduce air pollution, and improve the conditions for economic development; and better IT, social and green infrastructure.
- **Tackle the problems of high housing costs and shortages** including building new and affordable homes.
- **Focus our resources into working with businesses, entrepreneurs and investors** to broaden the economy, attract and retain high-value businesses with growth potential and encourage social enterprise.
- **Create new offices and workspaces** that meet the needs of growing businesses including technology, low carbon and creative industries.
- **Find new and innovative ways for the public sector to work in partnership with the community.**
- **Develop a skilled workforce and help to unlock the human potential of local people.**
- **Tackle inequality and deprivation.**
- **Actively contribute to the vitality and success of the West of England.**



5.2 City of Ideas

Focusing on Bath as the economic and cultural centre of the District, the Vision is to reposition it as a **City of Ideas**: where the legacy of human creative genius, entrepreneurialism and healing from the past is revitalized and reinvented in a contemporary 21st century context with a successful high-value, low-carbon, knowledge-based economy.

The Bath City Riverside 'City of Ideas' Enterprise Area – a collection of development sites and buildings along the river corridor, beginning in central Bath and continuing west along Upper and Lower Bristol Roads – has the potential to create around 300 new businesses over the next 25 years resulting in a GVA growth of £1.6billion.



6. TRANSFORM: DIRECTION

6.1 Policy framework

Over recent years the Vision has informed the development of the B&NES Sustainable Community Strategy, Economic Strategy, draft Core Strategy (planning policy framework) and Economic Regeneration Delivery Plans.

All of this work has been underpinned by the principles of economic, social and environmental sustainability and informed by a range of importance evidence studies and strategies covering retail, employment growth, housing, public realm and movement, culture, destination management, visitor accommodation and building heights.

We now have a clear direction of travel. Our focus is on creating the optimal conditions for sustainable growth – for the delivery of new infrastructure, homes, jobs and the cultural and community facilities required to realise our vision of a healthy and sustainable future for local people.

6.2 Legacy and value

We recognise the long-term value and sustainability of attractive, high quality places. The physical and cultural legacy of Bath's 18th century renaissance, shaped by imaginative and talented designers, entrepreneurs and cultural leaders who set out to create a place of beauty, is still generating significant value and appeal hundreds of years later.

Due to the sensitivity of the Green Belt and AONB's, we now have a finite amount of development land at our disposal. Once it is developed, our city and market towns will effectively be complete. We have a once in a lifetime opportunity and responsibility to create a positive legacy for current and future generations.

We must, therefore, secure development of the highest quality and create successful and beautiful places where people want to live, work and spend their leisure time. This in turn will generate long-term value, sustainability and wellbeing, as well as enhancing our reputation and economic success on a regional, national and international basis.

6.3 Reputation and partnership

The Council has a major role to play as a community leader, an enabler of development and a major landowner. In recent years it has worked actively to build a more positive reputation for B&NES as a place to develop and do business and a number of successful developments have already been delivered.

In order to create the legacy and value we aspire to, we must work with imaginative, entrepreneurial investors, developers and end users and outstanding architects and designers who share our vision and values. We recognise the necessity of building strong, positive relationships with the right developers – of being clear, commercial and straightforward in negotiations and minimising risk and uncertainty.

It is, therefore, critical that we articulate clear principles for future development in order to attract and work effectively with the right people. These can be summarised as follows:

- A commitment to the highest quality architecture –not only fit for a World Heritage city, but for the district
- An understanding of and empathy for the Council's aspirations for sustainable economic growth
- Creates a vibrant business destination that attracts young entrepreneurs and small creative businesses
- Balances the city as a tourist destination between the needs of visitors and the needs of those who live and work in the area
- Creates places to walk in minimising the impact of the car with an emphasis on the space between buildings to provide places to sit and enjoy the surrounding environment
- Attracts developers/investors who understand our commitment to providing homes for all of award winning quality
- Delivers development which plans for new communities and demonstrates leadership in terms of sustainability and carbon reduction

In return for the commitment of the best, Bath & North East Somerset Council will ensure outstanding liaison ensuring that the Council acts as a corporate whole - offering professional advice on what is and is not acceptable to the city and its future.

6.4 Delivery strategy

We currently face a number of challenges in bringing forward major development. These include:

- Securing investment in enabling infrastructure
- Absence of inward occupiers clamoring for space
- Limited investor market
- Negative reputation of area as a difficult place to develop.

We have developed an innovative delivery strategy to meet and hopefully overcome these challenges. The proposed delivery model seeks to integrate policy objectives and growth targets, provide the critical mass required to create a market and deliver the required infrastructure to release development.

The delivery model brings together all available tools at the Council's disposal to encourage and enable delivery. These include national and regional capital and revenue funding streams accessible to local authorities and their partners, for example:

- Local Investment Plan
- Community Infrastructure Levy
- Enterprise Zone and Enterprise Areas
- New Homes Bonus
- Growth Point Funding
- Feed in Tariffs
- Renewable Heat Incentive Scheme
- Business Improvement District
- Tax Increment Funding
- Transport Funding (DfT) - Local Sustainable Transport Fund
- Higher Education Funding Council
- Capacity Fund - BIS

- Start-up fund - BIS
- Regional Growth Fund
- Rural Development Funds
- European Regional Development Fund
- Business Growth Fund

It is proposed that these tools would be unified and targeted at B&NES's City of Ideas Enterprise Area, recently identified as a sub-regional priority for economic growth by the West of England Local Enterprise Partnership. This area comprises the portfolio of Bath City Riverside sites shown on the plan below:

For example, it is proposed that New Homes Bonus receipts will be used to cross-fund initial delivery of infrastructure. A Community Infrastructure Fund would be established fuelled by the funding tools available.

We believe that this model provides the most effective strategy for realising our long-term objectives for B&NES.

Bath City of Ideas Enterprise Area will be delivered by using a combination of Government and local funding initiatives in a coordinated 'toolbox'



6.5 Competitive identity

The delivery strategy also identifies the urgent need for Bath and the wider area to reposition its brand and reputation as a place in order to attract and maximise the scale and quality of investment and development it needs.

While we have been successful at marketing Bath and the wider area as an international heritage and tourism destination and regional shopping centre, we have been far less successful at promoting the city and district as an exciting and relevant centre of academia, business and contemporary life.

Working in partnership with Future Bath Plus and a wide range of stakeholder organisations, the Council will lead the development of a competitive identity for Bath and the wider area during 2011/2012. This will unite the traditional and contemporary strengths of our area as part of one integrated story and enable the city to clearly communicate what it stands for and where it is going to the rest of the world.

7. TRANSFORM: ACTION

7.1 Making it happen

Since the launch of the Council's Future for Bath, Keynsham and Somer Valley visions in 2005, a great deal of progress has been made in terms of establishing meaningful public and private sector partnerships, designing and delivering building projects and realising projects to enhance places and the lives of local people.

While many challenges lie ahead in delivering the wider, long-

term development programme, including the City of Ideas Enterprise Area, the many achievements of the past five years demonstrate that Bath and the three market towns are developing a strong track record of delivering in partnership and of actively embracing change and high quality contemporary design.

7.2 Delivering In partnership

With public sector resources expected to decline in future, there will be an ever-increasing need for the Council to work closely with other partners. B&NES has a strong track record of partnerships with public and private-sector organisations, including the West of England Local Enterprise Partnership, B&NES Local Strategic Partnership, NHS B&NES, the Chambers of Commerce and Initiative for B&NES and most recently Future Bath Plus and the Business Improvement District (BID).

Changes being implemented by the Government have already led to the development of important new partnerships, such as the Local Enterprise Partnership (LEP) for the West of England. Through these and other partnerships (including with the Community and Voluntary Sector) we are working to achieve our Vision for the whole Bath and North East Somerset area.

Key B&NES partnerships currently include:

- Local Enterprise Partnership for the West of England
- The Chambers of Commerce
- The Initiative for B&NES
- Economic Partnership
- B&NES Local Strategic Partnership (including the Sustainable Growth Alliance)
- Future Bath Plus
- The Health and Wellbeing Partnership
- The Third Sector Compact
- Bath World Heritage Steering Group
- Student Community Partnership
- Creative Bath
- Low Carbon South West

7.3 People and place

The success of B&NES and its opportunities for future prosperity are closely connected to the sheer quality, appeal and potential of the area. But places need people, just as much people need places. We believe that B&NES' biggest asset is our local communities.

Here are some of the projects and initiatives through which we aim to build a stronger economy and encourage wellbeing and active participation in community life.

PARTNERSHIP INITIATIVES

- Supporting Bath as a World Heritage Site and the delivery of the WHS Management Plan

- Supporting the B&NES Cultural Forum, including the Bath Festivals Trust and Bath's annual programme of cultural festivals
- Supporting a range of initiatives aimed at achieving participation and excellence in sport
- Investing in community safety including Purple Flag Status, 2010 and 2011
- Supporting NHS Bath and North East Somerset partnership with community groups to improve residents' health and wellbeing e.g. Whiteway Project
- Supporting play through developing and renewing 32 play spaces across the District

BATH PUBLIC REALM AND MOVEMENT PROGRAMME

- Implementing the Council's approved Public Realm and Movement Strategy (2010) to invest in the social, economic and environmental infrastructure of Bath City Centre as a key objective of the Council's vision and strategy for sustainable economic growth
- Projects delivered to date include the City Information System (2009-2011) which provides a multi-channel mapping and wayfinding system for all modes of movement; a new, timeless range of bespoke street furniture products (ongoing); the repaving of Westgate Street (2010); and four new on-street cycle parking corrals (2011)
- Projects coming soon include a de-clutter of the city centre (2011); the production of a long-term manual to guide the design of streets and spaces over the next 10-15 years (Bath Pattern Book); and the implementation of a 5-year programme of capital projects to transform up to seven city centre spaces beginning with Northumberland Place/High Street in 2012.

CIVITAS RENAISSANCE PROGRAMME

- CIVITAS Renaissance is a European Commission scheme helping cities to achieve more sustainable, clean and energy-efficient transport systems. Bath is one of the five historic cities across Europe taking part in the scheme, supported by EU funding.
- CIVITAS projects include:
 - Cycle Hire Scheme (2011)
 - Expansion of Bath City Car Club (2010)
 - Alternative Fuel Technology trial for local buses (2010).
 - Freight Vehicle Demand Management project (2011)
 - Freight Consolidation Centre (2011)
 - Creation of new Transport Hub, public space and test bed for stone materials in the carriageway at St James's Rampire (2010)
 - Feasibility study for Collective Transport (2010)

SUSTRANS TWO TUNNELS PROJECT

- This project will create a new recreational path linking the Bath-Bristol Railway Path to the Colliers Way Path along the former Somerset and Dorset Railway track.

ANIMATING PUBLIC SPACE

- Linked to our Public Realm and Movement Strategy, we've involved artists in creating temporary and permanent public art projects. The aim is to encourage a more lively and engaging city centre. Projects include:
 - King Bladud's Pigs (2008)
 - Art at the Edge (Date)
 - Walcot Street Artworks (completed 2010)
 - Earth from the Air (2009-2010) and Britain from the Air (2010-2011)

- Illuminate Bath Festival (2010 and 2012)

SUPPORTING THE CULTURAL LIFE OF THE MARKET TOWNS

- Keynsham's diary of events includes a summer music festival, monthly farmers' markets and a pre-Christmas Victorian evening. The town also has a lively sports scene, with a rugby club and a football club that was founded in 1895
- Midsomer Norton has an active cultural and sporting life including the annual Mardi Gras, Carnival and Lantern Fayre. Midsomer Norton Rugby Club was founded in 1936 and plays in Somerset Premier League
- Radstock has developed a strong arts community based around 'Creativity Works', North East Somerset Arts' and the Old Bakery Artists. A partnership between B&NES Council and Sustrans has opened up the Colliers Way (National Cycle Network 24) from Frome to Bath via Radstock.

7.4 Building projects

With a value in excess of £1billion, the following building projects have been completed by the Council and its partners since 2005, demonstrating significant tangible progress in the delivery of its Vision.

BATH

COMPLETED BUILDING PROJECTS:

- Thermae Bath Spa*
- Milsom Place
- SouthGate
- Bath Bus Station
- Combe Down Stone Mines: Land Stabilisation*
- Building Schools: Three Ways School*
- Community Resource Centre Programme
- Komedia and River Cottage Canteen
- Theatre Royal Bath: Main House, Ustinov Refurbishment and the egg
- Roman Baths upgrade*
- Holburne Museum extension and refurbishment

FUTURE BUILDING PROJECTS

Coming soon:

- Bath Spa Railway Station and Brunel Square
- Bath Western Riverside*
- Bath Abbey Redevelopment Project
- Bath City College

Looking to the future:

- Podium/Cattlemarket*
- Guildhall/Grand Parade*
- Bath Rugby, Bath Recreation Ground and riverside area
- Manvers Street*
- Sawclose
- Bath Quays North (Avon Street car park and coach park)*
- Bath Quays South (Newark Works)*
- Green Park House
- Green Park Station area
- Bath Western Riverside: Eastern End (Homebase and Pinesway)
- Bath Press
- Riverside sites in the Lower Bristol Road/Locksbrook area
- Ministry of Defence sites at Foxhill and Warminster Road
- Masterplans for University of Bath and Bath Spa University

THE MARKET TOWNS

COMPLETED BUILDING PROJECTS

Keynsham

- St Keyna Primary School*
- Keynsham Community Resource Centre*
- Keynsham Health Park
- Charlton Road foodstore (Tesco)

Midsomer Norton

- Somer Valley Adventure Play Park and Skate Park*
- The Midsomer Norton Community Resource Centre*

Radstock

- St Nicholas Junior School*
- Trinity Junior School*
- Writhlington Applied Learning Centre*
- Radstock Public Infrastructure*

FUTURE BUILDING PROJECTS

Keynsham

Coming soon:

- Keynsham Town Hall regeneration*

Looking to the future:

- Cadbury Somerdale factory site

Midsomer Norton

Coming soon:

- Midsomer Norton Primary School*

Looking to the future:

- Town park
- The High Street and Hollies area*
- South Road car park site
- Old Mills site
- The former Alcan site

Radstock

Coming soon:

- Redevelopment of the former railway land

Looking to the future

- Regeneration of land at Waterloo Road, library site and at Frome Road

**B&NES direct projects*

This page is intentionally left blank

Appendix 4: Delivering Future Economic Growth

Summary

- 1. Clusters of highly productive businesses, many of them identified as key sectors in driving the UK's economic recovery**
- 2. A highly skilled workforce, with world class Higher Education provision focussed on growth sectors**
- 3. An established, but light touch, local business ecosystem supporting new businesses**
- 4. Public sector and tourism jobs providing a backbone to the local economy and a steady flow of income somewhat protected from recession and international competition**
- 5. Once they start, very good business survival rates, above the sub regional and national average indicating a strong underlying economy**
- 6. Nationally and internationally known destinations**

What are our overall strengths?

- 1.1 Despite the recent trends of relatively weak overall job creation and a reduction in office accommodation highlighted in the paper, the revised Local Economic Assessment published in June 2011 sets out some real strengths of the area¹
- 1.2 Eleven industry sectors have a considerably higher share of employment than in England as a whole. Two are in manufacturing: Paper production and Printing and the reproduction of recorded media. Three others are in environmental-related industries: Water supply, Sewerage and Remediation and waste management activities. There are two professional business services sectors which are also strongly represented in the District: Architectural and engineering consultancy, technical testing and analysis, and finally rental and leasing activities. The remaining strongly represented sectors in the area under SIC 2007 analysis are: Accommodation, the (well-known) Publishing industry, Education and Creative, arts and entertainment activities.
- 1.3 Recent research by Smart Growth Analytics has reinforced the hugely (and overly) significant contribution that the business and financial business services sector makes to the Bath and North East Somerset economy. It is responsible for 14% of the district's entire GVA output, 18% of its businesses and 11% of its employment. The sector is one of the most productive sectors in the economy. This gives Bath and North East Somerset the highest proportion of professional business services as a percentage of all businesses in the South West.
- 1.4 Bath and North East Somerset therefore has a considerably higher share of employment than the national average in some high value sectors. These help to

¹ Local Economic Assessment, June 2011, Business West Research

give Bath and North East Somerset a business wealth score of 102% of the national average and 115% of the regional average²

- 1.5 A recent NESTA report shows that Bath is one of the 10 hotspots for creative industries in the UK, with specialisms publishing, as well as video, film and photography. What marks it out as a hotspot is the connectivity of firms within a cluster. One of the strengths of the Bath cluster is in its co-location of publishing companies with scientific R&D, accounting, consultancy and market research services³
- 1.6 Bath and North East Somerset has a light touch but effective ‘business ecosystem’ nurtured over the past few years with support from the Council. This includes the innovation centre, Creative Bath, Low Carbon South West, the Initiative run by the Chamber, Small Business Focus and others. New networks are emerging such as Bath Spark, a network for people working in tech. There is a strong legacy of Bath graduates starting and growing their businesses here, which can be built on. Local companies such as Picochip, IPL, BuroHappold and Altran Praxis have all had strong links to the Universities in starting or growing
- 1.7 As well as Bath, there are other areas with particularly marked strengths. For example the Radstock and Westfield economy makes up 6% of the overall Bath and North East Somerset economy, but 30% of all the District’s manufacturing jobs
- 1.8 Despite the challenges in establishing business in the area, once they do start Bath and North East Somerset is also a good place for businesses to thrive. It is better than the sub regional and national average for business survival rates, with 61% of businesses starting in 2004 still operating after 4 years
- 1.9 The table below shows that the skills levels of the resident workforce also remain very high and well above regional and national averages for people with skills levels 3 (A levels) and 4 (degree or above)

	B&NES	Bristol	N Somerset	S Gloucestershire	West of England
Pop aged 16-64 qualified to level 4 or higher	35.3%	35.3%	30.7%	27.5%	32.4%
Pop aged 16-64 qualified	55.5%	53.2%	52.3%	48.7%	52.7%

² An average of three estimates: Economic Systems Consultancy and Research; Oxford Economics and Experian Business Strategies

³ Creative clusters and innovation, Putting creativity on the map, Nesta, November 2010

Appendix 4: Delivering future economic growth

to level 3 or higher					
-------------------------	--	--	--	--	--

Source: ONS Neighbourhood Statistics, 2009

This page is intentionally left blank

Appendix 5: Track record

Since November 2010 significant progress has been made to deliver smart economic growth. In that time the Council has:

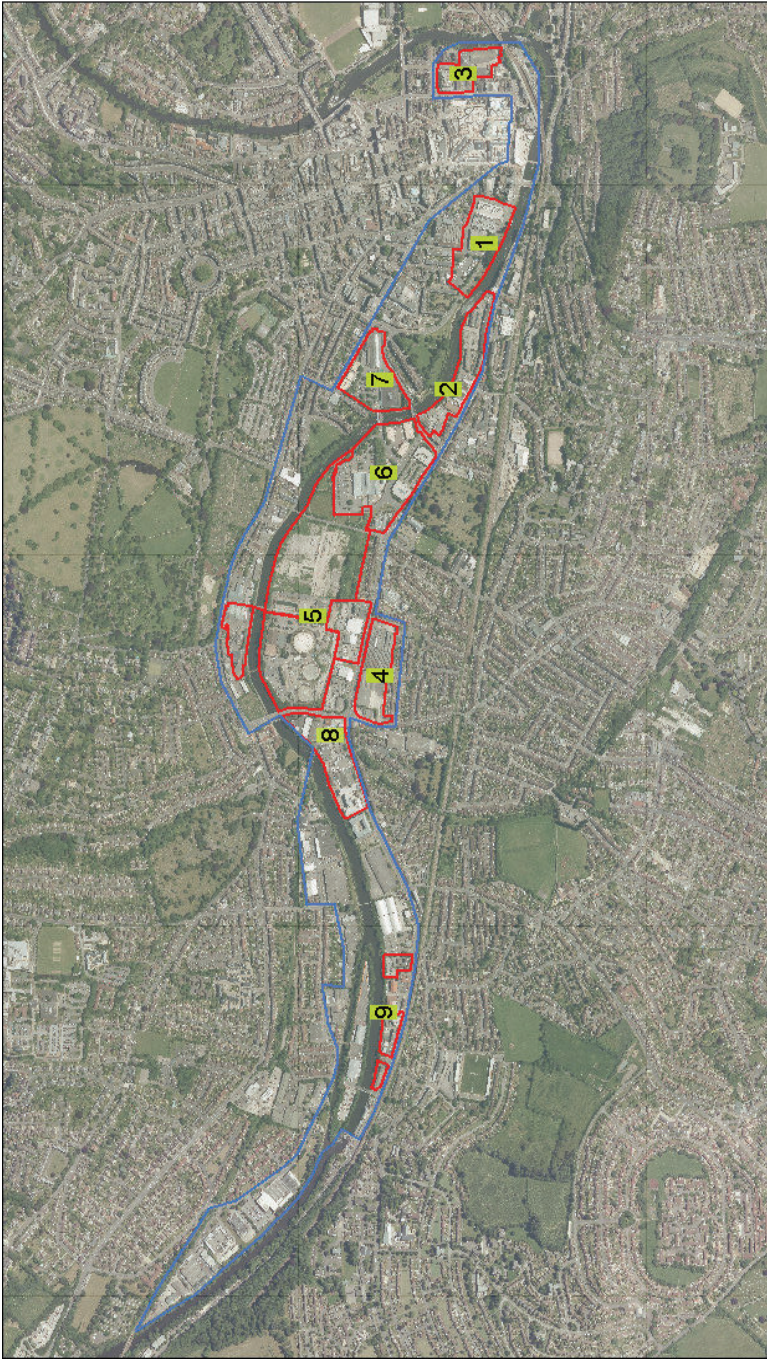
- Taken the lead in developing the Local Enterprise Partnership business plan and led for the West of England Local Authorities on the tourism and development and construction sectors
- Continued with the delivery of 299 affordable homes on Bath Western Riverside
- Supported and assisted with the Holburne Museum extension in Bath
- Brought forward proposals for the regeneration of Keynsham, including influencing and assisting Kraft in their marketing of Somerdale
- Supported over 900 businesses across Bath and North East Somerset through our Service Level Agreements with business support providers
- Led an economic health check and action plan for Radstock and Westfield
- Organised the Treasure and Transform exhibition, visited by approximately 500 people to showcase and promote the potential of Bath and North East Somerset
- Re-designed our business facing website
- Submitted a transport bid to the Department for Transport for the Bath Package
- Submitted a bid with the University of Bath to the Regional Growth Fund to develop Bath – Digital City
- Developed initial proposals for a Bath Creative Hub with the creative and tech communities
- Launched the Public Realm and Movement Programme, which directly responds to the Council's economic, social and environmental agendas – delivery to date includes the new information and way funding system and bespoke street furniture, with the transformation of the first public space programmed for 2012
- Filled 58 jobs through the Future Jobs Fund
- Over 100 apprentice positions offered through a Bath and North East Somerset supported campaign
- Continued to support Creative Bath, the network for creative businesses
- Secured the future of the village of Combe Down
- Helped secure an Enterprise Zone for the West of England and the development of a series of Enterprise Areas
- Liaised with and developed initial proposals for the future of the MOD sites
- Developed strong working relationships with the Bath Innovation Centre

This page is intentionally left blank

Appendix 6: Bath Enterprise Area

This central area of Bath has the development capacity to create the following:

1. **Bath Quays North**
 Total Area – 27, 340sq.m
 An opportunity to provide an Innovation Hub
 Up to 31,000sq.m of offices and 3,000sq.m of new leisure facilities
 Creation of 1,750 jobs
 Provide 9,000sq.m for modern city centre houses
2. **Bath Quays South + South Bank**
 Total Area – 25,140sq.m
 A High Value Office Development creating pedestrian links to the river and city centre
 Up to 23,000sq.m of Offices and 5,500sq.m of Business Space
 1,500sq.m of Leisure Facilities
 Creation of 1,342 jobs
3. **Manvers Street**
 Total Area – 14, 450sq.m
 Riverside Mixed-Use Development Quarter creating High Value Added Jobs
 Up to 17,000sq.m of Modern Office Development and 2,000sq.m of Leisure
 Creation of 983 jobs



4. **Bath Press**
 Total Area – 21,510sq.m
 A mixed use residential and employment led development
 Up to 5,000sq.m of Business Space and a number of residential units
 An opportunity for 3,300sq.m of convenience retail floorspace
 Creation of 320 jobs
7. **Green Park Station**
 Total Area – 24,200sq.m
 Quirky Victorian Gateway
 Potential for a 20,000sq.m hotel with conference facilities
 Capacity for 3,500sq.m of retail and 3,000sq.m of A3 uses
 Potential for development of 7,500sq.m of hotel uses

5. **BWR**
 Total Area – 147,000sq.m
 Major residential development
 Capacity for 173,000sq.m of residential units
 5,000sq.m of Leisure facilities

8. **Stable Yard Area**
 Total Area – 29,280sq.m
 Up to 6,000sq.m of Retail Floorspace
 Development capacity for 7,000sq.m of residential uses

6. **BWR East**
 Total Area – 48,730sq.m
 Modern Office and Retail Quarter
 Up to 47,000sq.m of office floorspace and 7,000sq.m of retail floorspace
 Capacity 5,000sq.m of leisure uses
 Provide 26,000sq.m residential units

9. **Carrs Mill Area**
 Total Area – 24,700sq.m
 Mix of employment, office and retail development
 Capacity for 7,000sq.m of employment floorspace and 7,000sq.m of modern office floorspace

This page is intentionally left blank

Bath & North East Somerset Council	
MEETING: HOUSING AND MAJOR PROJECTS POLICY DEVELOPMENT & SCRUTINY PANEL	
MEETING DATE:	20th September 2011
TITLE:	WORKPLAN FOR 2011/12
WARD:	All
AN OPEN PUBLIC ITEM	
List of attachments to this report:	
Appendix 1 – Panel Workplan	

1 THE ISSUE

- 1.1 This report presents the latest workplan for the Panel (Appendix 1).
- 1.2 The Panel is required to set out its thoughts/plans for their future workload, in order to feed into cross-Panel discussions between Chairs and Vice-chairs - to ensure there is no duplication, and to share resources appropriately where required.

2 RECOMMENDATION

- 2.1 The Panel is recommended to
 - (a) consider the range of items that could be part of their Workplan for 2011/12 and into 2012/13

3 FINANCIAL IMPLICATIONS

- 3.1 All workplan items, including issues identified for in-depth reviews and investigations, will be managed within the budget and resources available to the Panel (including the designated Policy Development and Scrutiny Team and Panel budgets, as well as resources provided by Cabinet Members/Directorates).

4 THE REPORT

4.1 The purpose of the workplan is to ensure that the Panel's work is properly focused on its agreed key areas, within the Panel's remit. It enables planning over the short-to-medium term (ie: 12 – 24 months) so there is appropriate and timely involvement of the Panel in:

- a) Holding the executive (Cabinet) to account
- b) Policy review
- c) Policy development
- d) External scrutiny.

4.2 The workplan helps the Panel

- a) prioritise the wide range of possible work activities they could engage in
- b) retain flexibility to respond to changing circumstances, and issues arising,
- c) ensure that Councillors and officers can plan for and access appropriate resources needed to carry out the work
- d) engage the public and interested organisations, helping them to find out about the Panel's activities, and encouraging their suggestions and involvement.

4.3 The Panel should take into account all suggestions for work plan items in its discussions, and assess these for inclusion into the workplan. Councillors may find it helpful to consider the following criteria to identify items for inclusion in the workplan, or for ruling out items, during their deliberations:-

- (1) public interest/involvement
- (2) time (deadlines and available Panel meeting time)
- (3) resources (Councillor, officer and financial)
- (4) regular items/"must do" requirements (eg: statutory, budget scrutiny, etc)?
- (5) connection to corporate priorities, or vision or values
- (6) has the work already been done/is underway elsewhere?
- (7) does it need to be considered at a formal Panel meeting, or by a different approach?

The key question for the Panel to ask itself is - can we "add value", or make a difference through our involvement?

- 4.4 There are a wide range of people and sources of potential work plan items that Panel members can use. The Panel can also use several different ways of working to deal with the items on the workplan. Some issues may be sufficiently substantial to require a more in-depth form of investigation.
- 4.5 Suggestions for more in-depth types of investigations, such as a project/review or a scrutiny inquiry day, may benefit from being presented to the Panel in more detail.
- 4.6 When considering the workplan on a meeting-by-meeting level, Councillors should also bear in mind the management of the meetings - the issues to be addressed will partially determine the timetabling and format of the meetings, and whether, for example, any contributors or additional information is required.

5 RISK MANAGEMENT

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

6 EQUALITIES

- 6.1 Equalities will be considered during the selection of items for the workplan, and in particular, when discussing individual agenda items at future meetings.

7 CONSULTATION

- 7.1 The Workplan is reviewed and updated regularly in public at each Panel meeting. Any Councillor, or other local organisation or resident, can suggest items for the Panel to consider via the Chair (both during Panel meeting debates, or outside of Panel meetings).

8 ADVICE SOUGHT

- 8.1 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.

Contact person	Michaela Gay, Democratic Services Officer. Tel 01225 394411
Background papers	None
Please contact the report author if you need to access this report in an alternative format	

This page is intentionally left blank

Housing and Major Projects Policy Development & Scrutiny Panel Workplan

Meeting Date	Agenda Item	Director	Report Author	Format of Item	Requested By	Notes
2nd Aug 2011	Major Projects Routine Report	JB	John Betty	Report		
	Housing Renewal Policy	AA	Graham Sabourn	Report		
	Cabinet Member Update			Verbal		
20th Sept 2011						
	Cabinet Member Update			Verbal		
	Housing & Major Projects Update	JB	John Betty / Graham Sabourn	Report		
	Delivering Sustainable Economic Growth in Bath and North East Somerset	JB	John Betty	Report		
15th Nov 2011						
	Cabinet Member Update			Verbal		
	Medium Term Service Plans					
	Travellers Sites					
	Empty Homes / Empty Property Policy Update					
	Housing Delivery Panel Update					
	Housing & Major Projects Update	JB	John Betty	Report		

Last updated 9th September 2011

Meeting Date	Agenda Item	Director	Report Author	Format of Item	Requested By	Notes
31st Jan 2012						
	Cabinet Member Update			Verbal		
	Service Action Plans					
	Strategic Tenancy Policy & Housing Allocations (Localism Bill)					
	Housing & Major Projects Update	JB	John Betty	Report		
27th March 2012						
	Cabinet Member Update			Verbal		
	House Condition Surveys (Private Sector Stock / HMO)					
	Housing Renewal Policy – Review					
	Housing & Major Projects Update	JB	John Betty	Report		
Future items						
	New Homes Bonus	JB				