

Bath & North East Somerset Council	
MEETING	Council
DATE:	12th May 2016
TITLE:	B&NES Core Strategy Review
WARD:	All
AN OPEN PUBLIC ITEM	
List of attachments to this report:	
Attachment 1: Summary of the Revised Local Development Scheme	

1 THE ISSUE

- 1.1 This report outlines the scope and basis of the forthcoming partial review of the B&NES Core Strategy and updates the B&NES Local Development Scheme.

2 RECOMMENDATION

- 2.1 That the Council;
- a) Authorises the Strategic Director for Place to make arrangements to commence the revision of the B&NES Core Strategy in accordance with the scope set out in para 5.14 below and the timetable set out in the revised Local Development Scheme in Attachment 1, and
 - b) Agrees amendments to LDS as set out in Attachment 1 and resolve that the revised LDS will have effect from 20th May 2016
 - c) Approves allocation of reserves within the financial planning reserve of £30k for 2017/18 to fund the additional staffing requirement.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 Preparation of the Core Strategy is funded from the LDF budget and is resourced by the Planning Policy Team, drawing on expertise from other Council departments as required.
- 3.2 The proposed approach to review the Core Strategy described in this report is a larger task than that previously proposed, but it still does not entail a full review of the Core Strategy. The resource requirement is therefore higher but this is mitigated by;

- a) Much of the evidence base needed to support the JSP is of direct relevance to the Core Strategy review; and
- b) The timetable for the review of the Core Strategy being amended as set out in the revised LDS so that the substantial work occurs after the Placemaking Plan public examination

3.3 The additional staffing resource requirement, after mitigation by re-timetabling the Core Strategy review, amounts to £30k. This will need to be addressed as an approved commitment when the Budgets for 2017/18 are considered.

3.4 Preparation of land-use planning policies will inevitably have an impact on the value of land & buildings, which in turn would impact Council Tax and Business Rates. However, impacts to Council Tax and Business Rates cannot be taken into consideration as part of the assessment and preparation of the Planning Policies.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

4.1 Both the JSP and the revision to the Core Strategy must be prepared in compliance with the Planning and Compulsory Purchase Act 2004 (“the 2004 Act”) and the Town and Country Planning (Local Planning) (England) Regulations 2012 (“the Regulations”). Once adopted, they will both be statutory Development Plan Documents (“DPD”).

4.2 Preparation of the Plans has also accorded with national policy in the National Planning Policy Framework (“NPPF”) and guidance in the National Planning Practice Guidance (“NPPG”). In particular, the Council has sought to ensure that the JSP and the revised Core Strategy are sound in that they (inter alia);

- a) Have been **positively prepared** – the plans seek to meet objectively assessed needs for development, unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits;
- b) are **justified** – the plans are the most appropriate strategies, when considered against the reasonable alternatives, based on proportionate evidence;
- c) are **effective** – the plans are deliverable; and
- d) are **consistent with national policy** – the plans enable the delivery of sustainable development

4.3 Any changes to the Core Strategy must be subject to a Sustainability Appraisal (“SA”) and Strategic Environmental Assessment (“SEA”) in line with the requirements of the SEA Regulations (The Environmental Assessment of Plans and Programmes Regulations 2004). It must also be subject to an integrated Habitats Regulation Assessment (“HRA”) in line with the requirements of the Conservation of Habitats and Species Regulations 2010 (“the Habitats Regulations”).

4.4 A Local Development Scheme is required under Section 15 of the Planning and Compulsory Purchase Act 2004.

- 4.5 Changes arising from the Planning & Housing Bill will have implications for the preparation of the JSP and the Core Strategy review and these will need to be taken into account as the Bill proceeds to enactment.

5 THE REPORT

Background

- 5.1 The B&NES Core Strategy was adopted in 2014 following a prolonged and complex preparation process involving some difficult decisions for the Council to review the Green Belt in order to release land for housing. Critical to the successful adoption of the Core Strategy by Full Council in 2014 was the demonstration that Bath had a separate Housing Market Area (HMA) to that of Bristol. This enabled the plan to be found sound at examination but the sub-regional issue of how the unmet housing need arising from Bristol should be accommodated remained outstanding.
- 5.2 Full Council accepted the Inspector's recommended arrangements for the review of the Core Strategy. This included 2 options, both linked to the need to address the Bristol housing issue. The two review options were;
- (a) when the Bristol Plan is reviewed in 2016, if Bath no longer has its own HMA, then the B&NES SHMA would need to be reviewed as part of the wider Bristol SHMA. The scope of the review would be dependent on the outcome of the SHMA update but it could lead to a more substantial review of the Core Strategy.
 - (b) if the evidence showed that Bath remained a separate HMA, then there would be no need to review the B&NES SHMA but only undertake a partial review of the Core Strategy to consider whether it was appropriate to accommodate any unmet Bristol need.
- 5.3 All four Councils signed a Memorandum of Agreement (MoA) in 2014 which committed them to aligning their plan reviews through the Joint Spatial Plan (JSP). Notwithstanding the benefits of joint working, the reason for this commitment by B&NES is that whilst Bath has a separate HMA, the HMA boundaries are in reality quite complex and the western part of B&NES lies within the Wider Bristol HMA. Therefore, under the Duty to Co-operate (Localism Act 2011), B&NES is obliged to co-operate with the other UAs on this Plan.

Update on JSP Progress

- 5.4 Preparation of the JSP is progressing on target. The Issues & Options consultation concluded in late January with around 2,000 comments received on the JSP and the Joint Transport Study (JTS) combined. Work is now progressing on the preparation of the Draft JSP scheduled for completion in June 2016. Evidence shows that Bath continues to have its own HMA and hence the B&NES Strategic Housing Market Assessment (SHMA) has not been reviewed at this stage although a partial review of the Core Strategy is still necessary. This approach has avoided the need to consider a new housing target for B&NES now, so soon after the Core Strategy was adopted and limits the risk of undermining the adopted Core Strategy in advance of the scheduled five-year review. However, this has resulted in B&NES being out of step with the other three UAs who are all obliged to undertake full reviews of their housing need. This inconsistency has

raised concerns about the increased the risk of unsoundness of the JSP. This concern has also been raised through the Issues and Options consultation for the JSP and remains a risk.

- 5.5 Preparation of the JSP is therefore progressing on the basis of a review of the Wider Bristol SHMA only but the housing need will be accommodated across all four UAs. Locations in B&NES, and especially in the B&NES part of the Wider Bristol HMA, are being considered as 'equal contenders' with other locations in the WoE to meet the housing need. Under this approach, the B&NES SHMA is not reviewed and only a partial review of B&NES Core Strategy is required to make changes to accommodate some of the sub-regional housing need, with the quantum and locations being determined via the JSP. The work is being aligned with the Joint Transport Study (JTS) in light of the crucial link between new development and infrastructure, especially transport.
- 5.6 The JSP is a high level, strategic plan and it will be the role of the UA Local Plans (formerly Core Strategies) to allocate the sites for development closely following the JSP. In the case of B&NES, whilst the housing figure of 13,000 dwellings from 2011 to 2029 remains unaltered, the Core Strategy will need a partial review to accommodate additional housing to be allocated at new strategic development locations for the period 2016 to 2036. However, these locations are most likely to be needed only post 2026 unless the demands of 5-year Housing Land Supply (HLS) warrant some early limited releases.

Risks

- 5.7 The position of B&NES in the JSP always posed a limited degree of risk but as work has progressed, the following issues have arisen;
- a. Unlike the HMA geography, the whole of the WoE sub-region has been identified as a Functional Economic Market Area (FEMA) instead of separate Bristol & Bath FEMAs. This has exacerbated the existing mismatch between the evidence base and the geography of the Plan. Not only is there a different geography between the housing requirement and the plan area but there is now also a spatial mismatch between the strategies for accommodating the housing and the jobs. This adds to the complexity in devising the spatial strategy and increases the risks of unsoundness.
 - b. Similarly, the JTS is being formulated on a WoE basis whereas the housing growth relates only to part of the sub-region which makes it difficult to formulate a co-ordinated approach to transport infrastructure for the whole of the sub-region. This also undermines the case for new investment in infrastructure in the eastern part of B&NES.
 - c. The JSP has been cited as a key vehicle for delivering the Devolution proposals but this partial evidence base provides a less robust position on which to base investment in infrastructure in the WoE because the development needs for only part of the sub-region are being considered.

- d. the key development locations in B&NES will be used for the Wider Bristol need. There will be no opportunity to request that the other UAs accommodate any unmet B&NES need at the time of the 2019 review because the JSP spatial strategy will have been agreed by then.

Alternative Approach

- 5.8 In light of the concerns outlined above, there is a window of opportunity for B&NES to review its role before the draft JSP is prepared. This is scheduled for publication in June 2016. This alternative approach is for B&NES to align with the other UAs and review the B&NES SHMA now instead of 2019 as part of the JSP. This would address most of the risks of the current approach.
- 5.9 Initial informal assessments indicate that if the B&NES SHMA was updated now, the likely increase in housing need to 2036 would be relatively limited and would relate primarily to rolling forward the spatial strategy beyond 2029 to 2036. The actual figure can only be properly determined by undertaking a full SHMA review but the annual housing requirement is likely to be lower than that in the current Core Strategy.
- 5.10 The key implications of the alternative way forward are set out below.
 - a) the Core Strategy is reviewed once (not twice in five years) and in lock-step with adjoining UA partners
 - b) it enables consideration of the whole picture of housing and economic growth cohesively, comprehensively and holistically and this addresses the legal advice that the current approach risks JSP being found unsound at examination,
 - c) any new housing apportioned to B&NES is not just to meet 'Bristol overspill' but can help to meet B&NES' own housing needs. Therefore, some of the best locations for new development could be used to meet the needs of B&NES,
 - d) this approach provides the opportunity for the other UAs to accommodate any B&NES overspill housing if the preponderance of national & international environmental designations in B&NES limit the capacity of B&NES to accommodate new housing,
 - e) whilst the likelihood that development locations in the eastern and southern parts of the district would also now be needed, this enables a more comprehensive approach and makes a more robust case for securing large scale infrastructure investment in the eastern part of the district because it can be directly linked to growth for the whole district,
 - f) because the net increase in housing need arising from B&NES is relatively small, it is likely to have limited impact on the overall housing requirement for each UA,
 - g) The pressure on 5-year HLS is not exacerbated and might even be ameliorated in the short term in the light of the emerging lower growth forecasts
 - h) As with the existing approach, much of the new housing can be phased to beyond 2026, depending on 5-year HLS requirements.

- i) there is the possibility of opening up the Core Strategy to a wider review on existing locations and other policy areas, but this risk is limited because these locations are the outcome of an independently endorsed examination, are part of an adopted plan and they are needed for 5-year HLS.

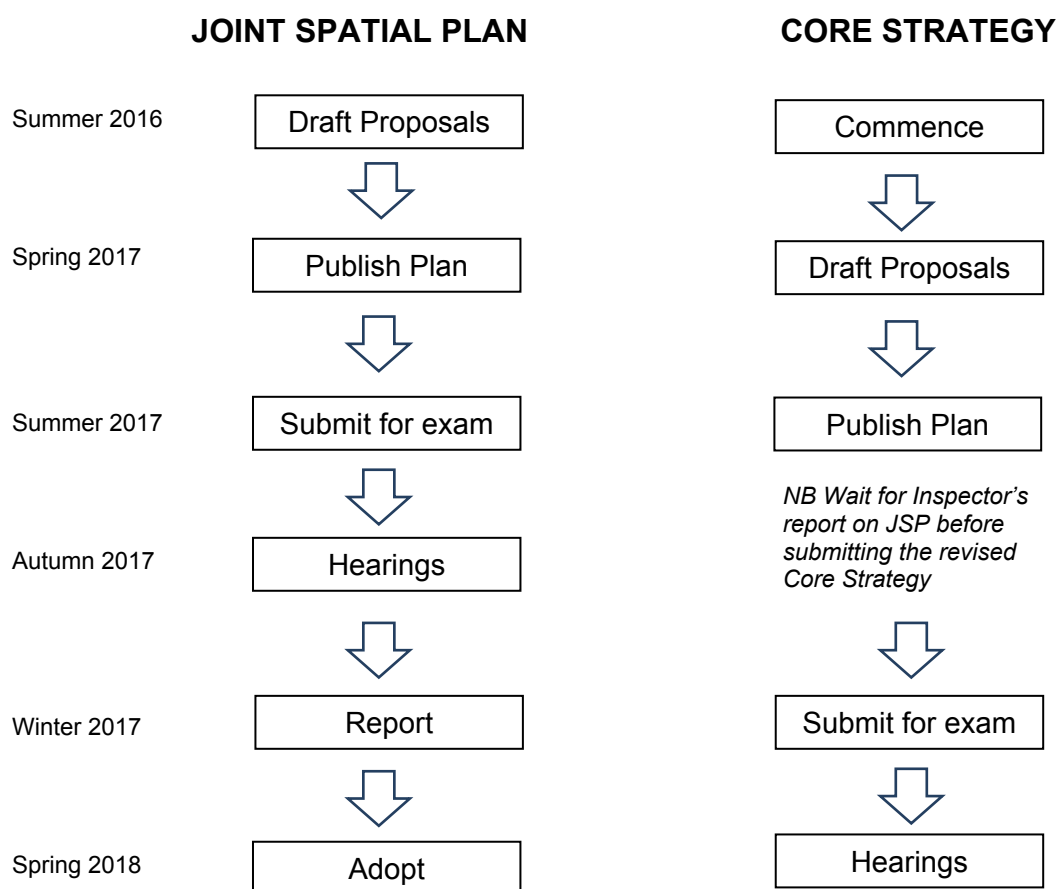
Scope of Core Strategy review

- 5.11 If members were minded to agree the revised approach, then the scope of the review needs to be clearly established. This would need to be set out in a *pre-commencement document* to formally launch the review. The review would still be a *partial* review and would be restricted to the following issues;
- a) A revised Housing Requirement for B&NES for the period 2016 to 2036, including affordable housing based on a updated SHMA
 - b) The formal allocation of sites in the strategic locations included in the JSP to meet identified development needs, and setting development and infrastructure requirements
 - c) Establish a strategy for and identify any other sources of housing land supply not identified in the JSP to meet identified development needs,
 - d) The affordable housing policies
 - e) A revised five-year Housing Land Requirement assessment
 - f) Inclusion of new policies or amendments to existing policies arising from a-c above; or from new legislation eg the Starter Homes Initiative; or from any other significant changes in circumstances and evidence to ensure that the plan is up-to-date.
- 5.12 Depending on the outcome of the Housing and Planning Bill, the allocations in the revised Core Strategy might be designated as sites with *Permission in Principle*. It is essential that existing allocations and commitments in adopted plans are retained in order to maintain the Council's housing land supply including the five-year HLS. Loss of any sites could make the District's housing land supply vulnerable.

Local Development Scheme Amendments

- 5.13 The timetable of the review of the Core Strategy needs to align closely with that of the JSP but allowing for key JSP milestones to be achieved in order to avoid abortive work on the review of the Core Strategy. The timetable for the revision of the Core Strategy will need to be set out in the Local Development Scheme (LDS – see Attachment 1). The overarching programmes of both plans are illustrated in the LDS extract below.

PLAN PROGRAMMES



5.14 As a result of legislative changes, the position in plan-making in B&NES, and the interrelationship between different plans, is already quite complex entailing;

- a) Some saved policies from the adopted 2007 Local Plan
- b) The adopted Core Strategy
- c) The JSP & the Placemaking Plan under preparation

5.15 The interrelationship of these plans will be explained in the revised LDS but in essence, the Existing Core Strategy and the Placemaking Plan will be combined to form a new B&NES Local Plan due to be adopted in 2016, replacing any outstanding saved policies from the old 2007 Local Plan. This new Local Plan will then be amended by the JSP/Core Strategy review, to be adopted in 2019.

5.16 Other changes to the Local Development Scheme are included in Attachment 1

Conclusion

- 5.17 It has become evident that changing circumstances has made the existing position of B&NES less favourable than when the JSP project began. These risks can be addressed by aligning the B&NES position more closely with the other UAs and reviewing the B&NES SHMA now instead of 2019. Whilst this approach is not without risks, these are outweighed by the advantages.
- 5.18 Moreover, the overarching issue in either option is that by being involved in the JSP, B&NES will need to accommodate an additional housing requirement via the JSP. The quantum is unlikely to be significantly affected whether the B&NES SHMA is updated or not, although the locations might be. Bringing forward the review of the B&NES SHMA also brings additional benefits in terms of reduced risk of unsoundness of the JSP, a more robust basis to plan for infrastructure and enabling the best development locations to be used to meet the housing needs of B&NES. The risk that there would be a successful challenge to existing Core Strategy commitments is limited.
- 5.19 Therefore, on balance, it is concluded that it is in B&NES interests to align with its partners in the WoE and bring forward the update of the B&NES SHMA as part of the evidence base for the JSP.

6 RATIONALE

- 6.1 The reason for the recommendations are is to provide clarity on the scope of the Core Strategy review and the LDS timetable.

7 OTHER OPTIONS CONSIDERED

- 7.1 The Council could undertake a full review of its SHMA in 2019 as currently timetabled.

8 CONSULTATION

- 8.1 The Council's Monitoring Officer (Head of Legal and Democratic Services and Council Solicitor) and Section 151 Officer (Divisional Director – Business Support) have had the opportunity to input to this report and have cleared it for publication.
- 8.2 Cabinet Programme Board have been updated and had opportunity to feed into the works underway.

9 HUMAN RIGHTS AND EQUALITIES

- 9.1 The review of the Core Strategy is at an early stage and any revision to it will be subject to a democratic process. As such, it is not considered that any issues arise under the Human Rights Act 1998 or the Equality Act 2010.

10 RISK MANAGEMENT

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

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Background papers	<p>B&NES Core Strategy 2014</p> <p>National Planning Policy Framework</p> <p>National Planning Practice Guidance</p> <p>JSP Issues & Options Consultation document</p> <p>Transport Study Topic Paper</p> <p>Strategic Housing Market Assessment Volume 1</p> <p>Strategic Housing Market Assessment Volume 2</p> <p>Economic Development Needs Assessment</p> <p>B&NES Local Development Scheme</p>
Please contact the report author if you need to access this report in an alternative format	

ATTACHMENT 1: Summary of the revised Local Development Scheme

DOCUMENT	2016												2017												2018												2019																																
	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec																					
Placemaking Plan DPD			S				H				Rt A																																																										
WoE Joint Spatial Plan DPD									PO											P			S		H		Rt A																																										
Core Strategy Review DPD												C								PO				P			S		H			A																																					
Policies Map												M								R							M																																										
Infrastructure Delivery Programme review	•	•	•	•	•		P	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																				
Authority's Monitoring Report	•	•	•	•	•		P	•	•	•	•	P	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																	
Travellers' Sites Plan DPD																					O						D		S		H		Rt		A																																		
Joint Waste Core Strategy DPD													R																																																								
Neighbourhood Planning Protocol (SCI)									R																																																												
Neighbourhood Plans	<i>Ongoing statutory support</i>												•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																			
CIL Review (Reg 123 list and projects)							R														R								R																																								
Planning Obligations SPD Review							R														R								R																																								
Locally Listed Buildings SPD							O					A																																																									
Building Heights SPD							O					A																																																									
Bath Design Guide SPD												O																																																									
Houses in Multiple Occupation SPD													O																																																								
Other SPDs	<i>Progress as resources permit</i>												•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																			
	C	Project commences											S	Submit Plan											M	Policies Map changes published																																											
	O	Options consultation											H	Hearings											P	Publish document																																											
	PO	Preferred Options											Rt	Inspector's Report											R	Review																																											
	P	Pre-Submission Draft Plan											A	Adoption/Approval											•	Ongoing																																											